

# **Standing Appropriations Bill LSB1588H**

Proposed Action:

**House Appropriations  
Committee**

April 27, 2005

## **DRAFT**

**An Act making, reducing, and transferring appropriations, providing for fees, and providing for properly related matters and including effective and retroactive applicability date provisions.**

**Fiscal Services Division  
Legislative Services Agency**

### **NOTES ON BILLS AND AMENDMENTS (NOBA)**

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## EXECUTIVE SUMMARY NOTES ON BILLS AND AMENDMENTS

## LSB1588H STANDING APPROPRIATIONS BILL

### DIVISION I – MENTAL HEALTH ALLOWED GROWTH DIVISION II – STANDING APPROPRIATIONS

- Makes a FY 2007 General Fund appropriation of \$33.4 million for Mental Health Allowed Growth, and specifies distribution of the funds. (Page 1, Line 3)
- Limits the following FY 2006 General Fund standing appropriations to the amounts specified to maintain the current level of funding:
  - Department of Education for Instructional Support - \$14.4 million. (Page 2, Line 5)
  - Department of Education for At-Risk Children Programs - \$11.3 million. (Page 2, Line 8)
  - Department of Education for the Educational Excellence Program - \$55.5 million. (Page 2, Line 21)
  - Department of Revenue and Finance for the Statewide Fire and Police Officer Retirement Fund - \$2.7 million. (Page 2, Line 24)
  - Department of Revenue and Finance for the Livestock Production Tax Credit - \$1.8 million. (Page 2, Line 27)
- Limits the FY 2006 General Fund standing appropriation to the Department of Education for Nonpublic School Transportation to \$8.3 million, an increase of \$318,000 compared to the estimated net FY 2005 appropriation. (Page 2, Line 14)
- Requires a Property Tax Credit Fund be established in the Office of the Treasurer, and appropriates \$159.7 million from the FY 2005 General Fund surplus to the Fund. (Page 2, Line 30)
- Notwithstanding certain General Fund standing appropriations, as well as conflicting and voting provisions of Section 8.56, Code of Iowa, and makes appropriations from the Property Tax Credit Fund for the following property tax credits and exemptions: (Page 3, Line 6)
  - Appropriates \$102.9 million for Homestead Property Tax Credit. (Page 3, Line 15)
  - Appropriates \$34.6 million for the Agricultural Land and Family Farm Tax Credit. (Page 3, Line 18)
  - Appropriates \$2.67 million for the Military Service Tax Credit. (Page 3, Line 21)
  - Appropriates \$19.5 million for the Elderly and Disabled Tax Credit. (Page 3, Line 24)
- Reduces the State aid allocation for Area Education Agencies (AEAs) by \$11.8 million for FY 2006, maintaining the current level of reduction. (Page 4, Line 16)
- Notwithstanding the requirement that an appropriation be made from the General Fund to the Cash Reserve Fund in the event that the Cash Reserve does not maintain a maximum balance equal to 7.5% of the Revenue Estimating Conference estimate for FY 2006 as established in December 2004. (Page 4, Line 28)
- Specifies that the Section of the Bill creating the Property Tax Credit Fund is effective upon enactment. (Page 4, Line 35)

## EXECUTIVE SUMMARY NOTES ON BILLS AND AMENDMENTS

## LSB1588H STANDING APPROPRIATIONS BILL

### DIVISION III – OTHER APPROPRIATIONS

- Appropriates \$100,000 from the General Fund to the Department of Human Services for FY 2006 to provide grants to families with children who have Phenylketonuria (PKU) and have specific food requirements. (Page 5, Line 5)
- Decreases the FY 2006 General Fund appropriation to the Administration Division of the Department of Economic Development by \$115,000. (Page 5, Line 14)
- Increases the FY 2006 General Fund appropriation for the World Food Prize by \$115,000. (Page 5, Line 25)
- Increases the FY 2006 General Fund appropriation to the Banking Division of the Department of Commerce by \$210,000 and 3.0 FTE positions to implement HF 737 (Mortgage Brokers Licensing Bill). (Page 5, Line 30)
- Increases the FY 2006 General Fund appropriation to the Professional Licensing and Regulation Division of the Department of Commerce by \$54,000 and 0.8 FTE position to implement HF 877/SF 405 (Interior Design Title Bill). (Page 6, Line 5)
- Specifies an inflation adjustment of not less than 0.0% for the rebasing of nursing facilities' Medicaid reimbursement rates in FY 2006. (Page 6, Line 15)
- Increases the FY 2006 Senior Living Trust Fund appropriation by \$3.0 million to provide an inflation adjustment to nursing facilities' reimbursement rates. (Page 6, Line 24)
- Repeals the FY 2006 General Fund appropriation of \$29.6 million to the Endowment for Iowa's Health Account. (Page 6, Line 32)
- Repeals the provision to reimburse the Endowment for Iowa's Health Account. (Page 7, Line 14)
- Extends the sunset and the \$29.3 million General Fund appropriation for the Early Intervention Block Grant Program (Class Size Reduction) for one year until the end of FY 2006. (Page 7, Line 28)
- Repeals the annual \$5.0 million standing appropriation for the Secure an Advanced Vision for Education (SAVE) Fund, retroactive to July 1, 2004. (Page 7, Line 33)

## EXECUTIVE SUMMARY NOTES ON BILLS AND AMENDMENTS

## LSB1588H STANDING APPROPRIATIONS BILL

### DIVISION III – OTHER APPROPRIATIONS (CONTINUED)

- Specifies that the Section of the Bill repealing the standing appropriation for the Secure an Advanced Vision for Education Fund, takes effect upon enactment and is retroactive to July 1, 2004. (Page 7, Line 34)
- Specifies that the Section of the Bill increasing funding for the Banking Division of the Department of Commerce is contingent upon the enactment of House File 737 (Mortgage Brokers Licensing Bill). (Page 8, Line 4)
- Specifies that the Section of the Bill increasing funding for the Professional Licensing and Regulation Division of the Department of Commerce is contingent upon the enactment of Senate File 405 (Interior Designers Title Bill). (Page 8, Line 7)

### DIVISION IV – MISCELLANEOUS STATUTORY CHANGES

- Requires that the principal and interest portions of public funds deposits be covered by federal deposit insurance. Specifies that the depository is the custodian of certificates of deposit, and certificates of deposit must be covered by federal deposit insurance. (Page 8, Line 13)
- Expands the definition of “public funds” for purposes of Section 12B.10, Code of Iowa, to include funds of the State or a political subdivision or instrumentality of the State including a county, school corporation, special district, drainage district, unincorporated town or township, municipality, or municipal corporation or any agency, board, or commission of the State or a political subdivision. Moneys of the State include moneys which are transmitted to a depository for purposes of completing an electronic financial transaction. (Page 9, Line 4)
- Specifies that certificates of deposit that cover uninsured public funds are not considered public fund deposits for purposes of calculating the amount of collateral required to be pledged. (Page 9, Line 7)
- Requires banks to include all deposits from customers or other financial institutions authorized in Section 17 of this Bill, when calculating uninsured public funds to determine the amount of assessment. (Page 9, Line 23)
- Specifies that net receipts, for purposes of determining the total annual purses for all horse racing, is the amount of adjusted gross receipts less the annual amount of money pledged for bonded indebtedness of a project receiving Vision Iowa funds. (Page 9, Line 30)
- Requires that a government-issued photo identification card be presented to the pharmacist when purchasing pseudoephedrine. (Page 11, Line 19)
- Requires the Tobacco Use Prevention and Control Commission to approve materials distributed by the Just Eliminate Lies (JEL) Youth Program prior to distribution. (Page 11, Line 30)
- Repeals the requirement that school districts receive the step-down budget guarantee in FY 2005 to be eligible for that option in subsequent years. (Page 11, Line 35)

**EXECUTIVE SUMMARY  
NOTES ON BILLS AND AMENDMENTS**

**LSB1588H  
STANDING APPROPRIATIONS BILL**

**DIVISION IV – MISCELLANEOUS  
STATUTORY CHANGES  
(CONTINUED)**

- Specifies that privately-owned low-rent public housing in cities larger than 110,000 in population, where the city does not own or manage low-rent housing stock, is exempt from property taxes. (Page 12, Line 3)
- Permits the private sale of bonds in anticipation of revenues from the School Infrastructure Local Option (SILO) Sales and Services Tax in a manner similar to that permitted for the regular city and county sales and services tax revenue bonds. (Page 12, Line 19)
- Allows the Natural Resource Commission to identify additional species as aquatic invasive species. Specifies that additions to the aquatic invasive species listing will be done through the Administrative Rules process. (Page 13, Line 25, and Page 14, Line 2)
- Repeals potential sanctions for real estate brokers and salespersons that pay consideration to real estate licensees, knowing that the licensee will pay a portion of the consideration to a person that is not licensed. (Page 14, Line 13)
- Amends the restrictions and prohibited practices for real estate licensees. (Page 14, Line 29)
- Strikes language regarding financial statements that perfect a lien. (Page 15, Line 26 and Line 33)

**DIVISION V – JUSTICE SYSTEM AND  
JUDICIAL BRANCH**

- Appropriates \$596,000 from the General Fund to the Department of Public Safety for deposit in the Vehicle Depreciation Account to purchase Iowa State Patrol vehicles. Also, makes appropriations for future fiscal years as follows: FY 2007 - \$709,000; FY 2008 - \$841,000; FY 2009 - \$841,000. These appropriations reinstate appropriations item-vetoed by the Governor in HF 826 (Speed Limit Act). These appropriations are offset by increased General Fund revenue resulting from increased fines and fees in HF 826. (Page 16, Line 26)
- Increases the number of magistrates by 15, from 191 to 206. (Page 17, Line 15)
- Specifies the Clerk of a District Court is not required to send a repeat or subsequent mailing of a returned notice unless an address correction is provided. (Page 17, Line 21)
- Adds new filing fees for certain legal services. (Page 17, Line 31)
- Permits copies of presentence investigation reports to be sent by regular or electronic mail rather than being served in person. (Page 18, Line 20)
- Increases the General Fund appropriation to the Judicial Branch by \$320,000 to help offset the cost of adding 15 new magistrates. (Page 19, Line 25)
- Appropriates \$750,000 from the General Fund to the Justice Department for the Legal Services Poverty Grants. (Page 20, Line 7)
- Appropriates \$350,000 to the Department of Public Safety to purchase equipment for the Crime Lab. (Page 20, Line 14)

**EXECUTIVE SUMMARY  
NOTES ON BILLS AND AMENDMENTS**

**LSB1588H  
STANDING APPROPRIATIONS BILL**

**DIVISION VI – EDUCATION**

- Makes statutory changes regarding nonprofit school organizations. (Page 20, Line 22; Page 21, Line 25; and Page 26, Line 9)
- Makes statutory changes regarding the school district open enrollment application deadline. (Page 22, Line 14 through Page 25, Line 22)
- Limits certificate of need requirements for certain school districts to expend supplemental school infrastructure funds. (Page 25, Line 23)
- Makes various statutory changes relating to a County Land Record Information System. (Page 26, Line 20 through Page 29, Line 24)
- Sections 57 through 85 of this Bill are technical corrective provisions. No specific explanation is provided for these Sections. (Page 29, Line 27 through Page 40, Line 15)

**DIVISION VII – LAND RECORD  
INFORMATION SYSTEM  
DIVISION VIII – CORRECTIVE  
PROVISIONS**

LSB1588H provides for the following changes to the Code of Iowa.

Page #	Line #	Bill Section	Action	Code Section	Description
1	34	2	Nwthstnd	Sec. Various	Limits Various Standing Appropriations
2	5	2	Nwthstnd	Sec. 257.20	Instruction Support Standing Appropriation Limitation
2	8	2	Nwthstnd	Sec. 279.51(1)	At-Risk Children Programs Standing Appropriation Limitation
2	14	2	Nwthstnd	Sec. 285.2	Nonpublic School Transportation Standing Appropriation Limitation
2	21	2	Nwthstnd	Sec. 294A.25(1)	Educational Excellence Program Standing Appropriation Limitation
2	24	2	Nwthstnd	Sec. 411.20	Peace Officers' Retirement Benefits Standing Appropriation Limitation
2	27	2	Nwthstnd	Section 422.121	Livestock Production Credit Refunds Standing Appropriation Limitation
2	30	3	Nwthstnd	Sec. 8.57	General Fund Surplus Appropriation to Property Tax Credit Fund
3	6	3	Nwthstnd	Sec. Various	General Fund Standing Appropriations and Cash Reserve Fund Provisions Notwithstanding
4	16	4	Nwthstnd	Sec. 257.35(4)	State Aid Reduction for Area Education Agencies
4	28	5	Nwthstnd	Sec. 8.57(1)(a)	Cash Reserve Fund Appropriation
5	14	8	Amends	Sec. 2.1(a), HF 809, 2005 Iowa Acts	General Fund Appropriation for Administration Division of Department of Economic Development
5	25	9	Amends	Sec. 2.4, HF 809, 2005 Iowa Acts	General Fund Appropriation for World Food Prize
5	30	10	Amends	Sec. 7.2, HF 810, 2005 Iowa Acts	General Fund Appropriation for Banking Division of Department of Commerce
6	5	11	Amends	Sec. 7.5, HF 810, 2005 Iowa Acts	General Fund Appropriation for Professional Licensing and Regulation Division of Department of Commerce

Page #	Line #	Bill Section	Action	Code Section	Description
6	15	12	Amends	Sec. 29.1(a)(3), HF 825, 2005 Iowa Acts	Inflation Adjustment for Nursing Facilities' Medicaid Reimbursement Rates
6	24	13	Amends	Sec. 40.1, HF 825, 2005 Iowa Acts	Senior Living Trust Fund Appropriation for Medicaid Reimbursement Inflation Adjustment
6	32	14	Amends	Sec. 1.1, Chapter 174, 2001 Iowa Acts, as amended	Repeal of General Fund Appropriation to Endowment for Iowa's Health Account
7	14	15	Repeals	Sec. 8.55(2)(b) and (d)	General Fund Reimbursement to Endowment for Iowa's Health Account
7	16	16	Amends	Sec. 8.55(2)(c)	Economic Emergency Fund Transfer to Senior Living Trust Fund
7	28	17	Amends	Sec. 256D.5(4)	Early Intervention Block Grant Program Extension
7	33	18	Repeals	Sec. 292.4	Secure an Advanced Vision for Education Fund Appropriation
8	13	20	Adds	Sec. 12B.10(7)	Federal Deposit Insurance Coverage of Public Fund Deposits
9	4	20	Adds	Sec. 12B.10(8)	Definition of Public Funds
9	7	21	Amends	Sec. 12C.22(2), unnumbered paragraph 1	Public Fund Deposits Used to Calculate Collateral
9	23	22	Adds	Sec. 12C.23A(3)(d), unnumbered paragraph 1	Bank Deposits Used to Calculate Uninsured Public Funds
9	30	23	Amends	Sec. 99F.6(4)(a)	Bonded Indebtedness Excluded from Horse Racing Net Receipts
11	19	24	Amends	Sec. 124.212(4)(c), as enacted by Sec. 1, SF 169, 2005 Iowa Acts	Identification Required for Purchase of Pseudoephedrine
11	30	25	Adds	Sec. 142A.4(23)	Approval of Just Eliminate Lies (JEL) Youth Program Materials
11	35	26	Repeals	Sec. 257.14(3), unnumbered paragraph 2	School District Budget Guarantee Option Restriction
12	3	27	Adds	Sec. 403A.10, unnumbered paragraph 1	Tax Exemption for Low-Rent Public Housing
12	19	28	Amends	Sec. 423E.5, unnumbered paragraph 1	Private Sale of School District Infrastructure Revenue Bonds
13	25	29	Amends	Sec. 456A.37(1)(c)	Identification of Aquatic Invasive Species



Page #	Line #	Bill Section	Action	Code Section	Description
14	2	30	Amends	Sec. 456A.37(4), unnumbered paragraph 2	Additions to Aquatic Invasive Species Listing
14	13	31	Amends	Sec. 543B.34(9)(a), unnumbered paragraph 1	Sanctions for Real Estate Brokers and Salespersons
14	29	32	Amends	Sec. 543B.60A	Prohibited Practices for Real Estate Licensees
15	26	33	Amends	Sec. 579A.2(3)(b)	Financial Statements That Perfect a Lien
15	33	34	Amends	Sec. 579B.4(1)(b)	Financial Statements that Perfect a Lien
17	15	37	Amends	Sec. 602.6401(1)	Increases Authorized Number of Magistrates
17	21	38	Adds	Sec. 602.8102A	Legal Notices Returned for Unknown Address
17	31	39	Amends	Sec. 602,8105(2)	Legal Filing Fees
18	20	40	Amends	901.4	Delivery of Presentence Investigation Reports
19	25	41	Amends	Sec. 1.1, HF 807, 2005 Iowa Acts	Appropriation Increase for Judicial Branch
20	7	42	Amends	Sec.1.1(c), HF 811, 2005 Iowa Acts	Legal Services Poverty Grants
20	14	43	Amends	Sec. 14.3, HF 811, 2005 Iowa Acts	Department of Public Safety Crime Lab Appropriation
20	22	44	Amends	Sec. 11.6(1)(a)	School District Nonprofit Foundations
21	16	45	Adds	Sec. 256.9(53)	Achievement Gap Report
21	25	46	Adds	Sec. 279.60	Nonprofit School Organizations
22	14	47	Amends	Sec. 282.18(2)	Open Enrollment Deadline
23	13	48	Amends	Sec. 282.18(4)(a)(b)	Open Enrollment Deadline Waiver
24	19	49	Amends	Sec. 282.18(5 & 6)	Open Enrollment Deadline
25	23	50	Amends	Sec. 423E.4(6)	Certificate of Need Requirement
26	20	52	Adds	Sec. 12B.6	Certain Public Funds of Political Subdivisions
26	30	53	Amends	Sec. 331.605C(4)	Local Government Transaction Fund

1 1 DIVISION I  
1 2 MH/MR/DD ALLOWED GROWTH FUNDING

1 3 Section 1. COUNTY MENTAL HEALTH, MENTAL RETARDATION, AND  
1 4 DEVELOPMENTAL DISABILITIES ALLOWED GROWTH FACTOR  
ALLOCATIONS

1 5 -- FISCAL YEAR 2006-2007.

1 6 1. There is appropriated from the general fund of the  
1 7 state to the department of human services for the fiscal year  
1 8 beginning July 1, 2006, and ending June 30, 2007, the  
1 9 following amount, or so much thereof as is necessary, to be  
1 10 used for the purpose designated:

1 11 For distribution to counties of the county mental health,  
1 12 mental retardation, and developmental disabilities allowed  
1 13 growth factor adjustment, as provided in this section in lieu  
1 14 of the provisions of section 331.438, subsection 2, and  
1 15 section 331.439, subsection 3, and chapter 426B:

1 16 ..... \$ 33,361,148

1 17 2. The funding appropriated in this section is the allowed  
1 18 growth factor adjustment for fiscal year 2006-2007, and is  
1 19 allocated as follows:

1 20 a. For distribution to counties for fiscal year 2005-2006  
1 21 in accordance with the formula in section 331.438, subsection  
1 22 2, paragraph "b":

1 23 ..... \$ 12,000,000

1 24 b. For deposit in the per capita expenditure target pool  
1 25 created in the property tax relief fund and for distribution  
1 26 in accordance with section 426B.5, subsection 1:

1 27 ..... \$ 19,361,148

1 28 c. For deposit in the risk pool created in the property  
1 29 tax relief fund and for distribution in accordance with  
1 30 section 426B.5, subsection 2:

1 31 ..... \$ 2,000,000

General Fund appropriation for the Mental Health/Mental  
Retardation/Developmental Disabilities allowed growth for FY 2007.

DETAIL: This is an increase of \$4,853,786 compared to the  
estimated FY 2006 appropriation. This represents a 2.00% increase  
in the formula that generates this appropriation.

1 32 DIVISION II

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1 33 STANDING APPROPRIATIONS

1 34 Sec. 2. Notwithstanding the standing appropriations in the  
1 35 following designated sections for the fiscal year beginning  
2 1 July 1, 2005, and ending June 30, 2006, the amounts  
2 2 appropriated from the general fund of the state pursuant to  
2 3 those sections for the following designated purposes shall not  
2 4 exceed the following amounts:

CODE: Limits various standing appropriations in the amounts specified.

2 5 1. For instructional support state aid under section  
2 6 257.20:  
2 7 ..... \$ 14,428,271

CODE: Limits the FY 2006 standing appropriation to the Department of Education for Instructional Support State Aid.

DETAIL: Maintains current level of funding.

2 8 2. For at-risk children programs under section 279.51,  
2 9 subsection 1:  
2 10 ..... \$ 11,271,000

CODE: Limits the FY 2006 standing appropriation to the Department of Education for At-Risk Children Programs.

DETAIL: Maintains current level of funding.

2 11 The amount of any reduction in this subsection shall be  
2 12 prorated among the programs specified in section 279.51,  
2 13 subsection 1, paragraphs "a", "b", and "c".

Requires the amount of any reduction to be prorated among the At-Risk Children Programs.

2 14 3. For payment for nonpublic school transportation under  
2 15 section 285.2:  
2 16 ..... \$ 8,273,763

CODE: Limits the FY 2006 standing appropriation to the Department of Education for nonpublic school transportation.

DETAIL: This is an increase of \$318,222 compared to the estimated net FY 2005 appropriation.

2 17 If total approved claims for reimbursement for nonpublic  
2 18 school pupil transportation claims exceed the amount  
2 19 appropriated in this section, the department of education  
2 20 shall prorate the amount of each claim.

Requires the Department of Education to prorate claims, if the amount of claims exceeds the amount appropriated.

2 21 4. For the educational excellence program under section  
 2 22 294A.25, subsection 1:  
 2 23 ..... \$ 55,469,053

CODE: Limits the FY 2006 standing appropriation to the Department of Education for the Educational Excellence Program.

DETAIL: Maintains current level of funding.

2 24 5. For the state's share of the cost of the peace  
 2 25 officers' retirement benefits under section 411.20:  
 2 26 ..... \$ 2,745,784

CODE: Limits the FY 2006 standing appropriation to the Statewide Fire and Police Retirement System for the State contribution to the Municipal Fire and Police Officer Retirement Fund.

DETAIL: Maintains current level of funding.

2 27 6. For payment of livestock production tax credit refunds  
 2 28 under section 422.121:  
 2 29 ..... \$ 1,770,342

CODE: Limits the FY 2006 standing appropriation to the Department of Revenue for the Livestock Production Tax Credit.

DETAIL: Maintains current level of funding. The appropriation is \$229,658 less than the projected amount of the FY 2006 credit.

2 30 Sec. 3. PROPERTY TAX CREDIT FUND -- PAYMENTS IN LIEU OF  
 2 31 GENERAL FUND REIMBURSEMENT.  
 2 32 1. Notwithstanding section 8.57, prior to the  
 2 33 appropriation and distribution to the cash reserve fund of the  
 2 34 surplus existing in the general fund of the state at the  
 2 35 conclusion of the fiscal year beginning July 1, 2004, and  
 3 1 ending June 30, 2005, pursuant to section 8.57, subsection 1,  
 3 2 of that surplus, \$159,600,000 is appropriated to the property  
 3 3 tax credit fund which shall be created in the office of the  
 3 4 treasurer of state to be used for the purposes of this  
 3 5 section.

CODE: Requires a Property Tax Credit Fund be established in the Office of the Treasurer and appropriates \$159,663,964 from the FY 2005 General Fund surplus to the Fund.

3 6 2. Notwithstanding the amount of the standing  
 3 7 appropriation from the general fund of the state in the  
 3 8 following designated sections and notwithstanding any  
 3 9 conflicting provisions or voting requirements of section 8.56,  
 3 10 there is appropriated from the property tax credit fund in  
 3 11 lieu of the appropriations in the following designated

CODE: Notwithstands General Fund standing appropriations in the specified sections and the conflicting provisions and voting requirements of Section 8.56, Code of Iowa, relating to the Cash Reserve Fund.

3 12 sections for the fiscal year beginning July 1, 2005, and  
 3 13 ending June 30, 2006, the following amounts for the following  
 3 14 designated purposes:

3 15 a. For reimbursement for the homestead property tax credit  
 3 16 under section 425.1:  
 3 17 ..... \$102,945,379

Property Tax Credit Fund appropriation for the Homestead Property Tax Credit.

DETAIL: Maintains current level of funding. The appropriation is \$26,454,621 less than the projected amount of the FY 2006 credit.

3 18 b. For reimbursement for the agricultural land and family  
 3 19 farm tax credits under sections 425A.1 and 426.1:  
 3 20 ..... \$ 34,610,183

Property Tax Credit Fund appropriation for the Agricultural Land and Family Farm Tax Credits.

DETAIL: Maintains current level of funding. The appropriation is \$4,489,817 less than the projected amount of the FY 2006 credit.

3 21 c. For reimbursement for the military service tax credit  
 3 22 under section 426A.1A:  
 3 23 ..... \$ 2,568,402

Property Tax Credit Fund appropriation for the Military Service Tax Credits.

DETAIL: Maintains current level of funding, and fully funds the projected FY 2006 credit.

3 24 d. For implementing the elderly and disabled tax credit  
 3 25 and reimbursement pursuant to sections 425.16 through 425.40:  
 3 26 ..... \$ 19,540,000

Property Tax Credit Fund appropriation for the Elderly and Disabled Tax Credit.

DETAIL: Maintains the current level of funding. The appropriation is \$2,196,000 less than the projected amount of the FY 2006 credit.

3 27 If the director determines that the amount of claims for  
 3 28 credit for property taxes due plus the amount of claims for  
 3 29 reimbursement for rent constituting property taxes paid which  
 3 30 are to be paid during the fiscal year may exceed the amount  
 3 31 appropriated, the director shall estimate the percentage of  
 3 32 the credits and reimbursements which will be funded by the  
 3 33 appropriation. The county treasurer shall notify the director

Requires the proration of claims if claims exceed the appropriation. The proration includes both the property tax and rent reimbursement portions of the credit.

Requires county treasurers to notify the Department of Revenue of the amount of property tax credit claims by June 8. The Department is to notify the county treasurers of the proration by June 15. If the Department overestimates the percentage of funding, unfunded rent

3 34 of the amount of property tax credits claimed by June 8. The  
3 35 director shall estimate the percentage of the property tax  
4 1 credit and rent reimbursement claims that will be funded by  
4 2 the appropriation and notify the county treasurer of the  
4 3 percentage estimate by June 15. The estimated percentage  
4 4 shall be used in computing for each claim the amount of  
4 5 property tax credit and reimbursement for rent constituting  
4 6 property taxes paid for that fiscal year. If the director  
4 7 overestimates the percentage of funding, claims for  
4 8 reimbursement for rent constituting property taxes paid shall  
4 9 be paid until they can no longer be paid at the estimated  
4 10 percentage of funding. Rent reimbursement claims filed after  
4 11 that point in time shall receive priority and shall be paid in  
4 12 the following fiscal year. If the director underestimates the  
4 13 percentage of funding, the overage shall remain in the fund  
4 14 established in section 425.39 for payments to be made in the  
4 15 next fiscal year.

reimbursements may be paid the following year. Overages remain in the fund for next year's payments.

4 16 Sec. 4. Section 257.35, subsection 4, Code 2005, is  
4 17 amended to read as follows:  
4 18 4. Notwithstanding subsection 1, and in addition to the  
4 19 reduction applicable pursuant to subsection 2, the state aid  
4 20 for area education agencies and the portion of the combined  
4 21 district cost calculated for these agencies for the fiscal  
4 22 year beginning July 1, ~~2004~~ 2005, shall be reduced by the  
4 23 department of management by eleven million seven hundred  
4 24 ninety-eight thousand seven hundred three dollars. The  
4 25 reduction for each area education agency shall be equal to the  
4 26 reduction that the agency received in the fiscal year  
4 27 beginning July 1, 2003.

CODE: Reduces the FY 2006 State Aid allocation for Area Education Agencies (AEAs) by \$11,798,703. This is in addition to the previously existing statutory \$7,500,000 reduction.

DETAIL: Maintains the FY 2005 level of reduction.

4 28 Sec. 5. CASH RESERVE APPROPRIATION FOR FY 2005-2006. For  
4 29 the fiscal year beginning July 1, 2005, and ending June 30,  
4 30 2006, the appropriation to the cash reserve fund provided in  
4 31 section 8.57, subsection 1, paragraph "a", shall not be made.  
4 32 However, any surplus in the general fund of the state for the

CODE: Notwithstands the requirement that an appropriation be made from the General Fund to the Cash Reserve Fund in the event that the Cash Reserve does not maintain a maximum balance equal to 7.50% of the Revenue Estimating Conference estimate for FY 2006 as established in December 2004.

4 33 fiscal year beginning July 1, 2005, and ending June 30, 2006,  
4 34 shall be transferred to the cash reserve fund.

DETAIL: Under current law, if the Cash Reserve Fund balance is less than 6.50% of the adjusted revenue estimate, then an appropriation of the adjusted revenue estimate is required. An appropriation equal to 1.00% for FY 2006 would be an estimated \$49,003,000. If the Cash Reserve Fund balance is more than 6.50% but less than 7.50% of the adjusted revenue estimate, then the appropriation is the amount required to bring the Cash Reserve Fund balance to 7.50% of the adjusted revenue estimate.

4 35 Sec. 6. EFFECTIVE DATE. The section of this division of  
5 1 this Act creating the property tax credit fund, being deemed  
5 2 of immediate importance, takes effect upon enactment.

Specifies that the Section of the Bill creating the Property Tax Credit Fund is effective upon enactment.

5 3 DIVISION III  
5 4 OTHER APPROPRIATIONS

5 5 Sec. 7. PKU ASSISTANCE. There is appropriated from the  
5 6 general fund of the state to the department of human services  
5 7 for the fiscal year beginning July 1, 2005, and ending June  
5 8 30, 2006, the following amount, or so much thereof as is  
5 9 necessary, to be used for the purpose designated:  
5 10 For providing grants to families with one or more children  
5 11 who have phenylketonuria (PKU) to assist with the costs of  
5 12 special food needed by the children:  
5 13 ..... \$ 100,000

General Fund appropriation to the Department of Human Services for Phenylketonuria (PKU) for FY 2006.

DETAIL: This is a new appropriation for FY 2006 to provide grants to families with children who have PKU and have specific food requirements.

5 14 Sec. 8. 2005 Iowa Acts, House File 809, section 2,  
5 15 subsection 1, paragraph a, if enacted, is amended to read as  
5 16 follows:  
5 17 a. General administration  
5 18 For salaries, support, maintenance, miscellaneous purposes,  
5 19 programs, for the transfer to the Iowa state commission grant  
5 20 program, and for not more than the following full-time  
5 21 equivalent positions:

CODE: Reduces the General Fund appropriation to the Administration Division of the Department of Economic Development by \$115,000.

DETAIL: This is a decrease of \$115,000 compared to the estimated net FY 2005 appropriation.

PG LN	LSB1588H	Explanation
5 22	..... \$ <del>1,956,332</del>	
5 23	..... <u>1,841,332</u>	
5 24	..... FTEs 28.75	
5 25	Sec. 9. 2005 Iowa Acts, House File 809, section 2,	CODE: Increases the General Fund appropriation for the World Food
5 26	subsection 4, if enacted, is amended to read as follows:	Prize by \$115,000.
5 27	4. For allocating moneys for the world food prize:	
5 28	..... \$ <del>285,000</del>	DETAIL: This is an increase of \$115,000 compared to the estimated
5 29	..... <u>400,000</u>	net FY 2005 appropriation.
5 30	Sec. 10. 2005 Iowa Acts, House File 810, section 7,	CODE: Increases the FY 2006 General Fund appropriation to the
5 31	subsection 2, if enacted, is amended to read as follows:	Banking Division of the Department of Commerce.
5 32	2. BANKING DIVISION	
5 33	For salaries, support, maintenance, and miscellaneous	DETAIL: This is an increase of \$209,678 and 3.00 FTE positions
5 34	purposes, and for not more than the following full-time	compared to the FY 2006 General Fund appropriation in House File
5 35	equivalent positions:	810 (FY 2006 Administration and Regulation Appropriations Bill) to
6 1	..... \$ <del>6,583,545</del>	implement House File 737 (Mortgage Brokers Licensing Bill).
6 2	..... <u>6,793,223</u>	
6 3	..... FTEs <del>69.00</del>	
6 4	..... <u>72.00</u>	
6 5	Sec. 11. 2005 Iowa Acts, House File 810, section 7,	CODE: Increases the FY 2006 General Fund appropriation to the
6 6	subsection 5, if enacted, is amended to read as follows:	Professional Licensing and Regulation Division of the Department of
6 7	5. PROFESSIONAL LICENSING AND REGULATION DIVISION	Commerce.
6 8	For salaries, support, maintenance, and miscellaneous	
6 9	purposes, and for not more than the following full-time	DETAIL: This is an increase of \$54,250 and 0.75 FTE position
6 10	equivalent positions:	compared to the FY 2006 General Fund appropriation in House File
6 11	..... \$ <del>782,674</del>	810 (FY 2006 Administration and Regulation Appropriations Bill) to
6 12	..... <u>836,921</u>	implement House File 877/Senate File 405 (Interior Design Title Bill).
6 13	..... FTEs <del>42.00</del>	
6 14	..... <u>12.75</u>	
6 15	Sec. 12. 2005 Iowa Acts, House File 825, section 29,	CODE: Specifies an inflation adjustment of not less than 0.00% for
6 16	subsection 1, paragraph a, subparagraph (3), if enacted, is	the rebasing of nursing facilities' Medicaid reimbursement rates in FY



6 17 amended to read as follows:  
 6 18 (3) For recalculation of the per diem cost and the  
 6 19 patient-day-weighted medians used in rate setting for nursing  
 6 20 facilities effective July 1, 2005, the inflation factor  
 6 21 applied from the midpoint of the cost report period to the  
 6 22 first day of the state fiscal year rate period shall not be  
 6 23 less than zero percent.

6 24 Sec. 13. 2005 Iowa Acts, House File 825, section 40,  
 6 25 subsection 1, if enacted, is amended to read as follows:  
 6 26 1. To supplement the medical assistance appropriation,  
 6 27 including program administration and costs associated with  
 6 28 implementation, salaries, support, maintenance, and  
 6 29 miscellaneous purposes:

6 30 .....	\$ 50,200,000
6 31 .....	<u>53,147,109</u>

2006. House File 825 (FY 2006 Health and Human Services Appropriations Bill) requires the Department of Human Services to adjust the inflation percentage to ensure that total State expenditures for nursing facilities do not exceed \$161,600,000 in FY 2006. Under the current estimates for the cost of the reimbursement rate rebase, the estimated inflation adjustment is 2.21%.

CODE: Increases the FY 2006 Senior Living Trust Fund appropriation included in HF 825 (FY 2006 Health and Human Services Appropriations Bill).

DETAIL: This is an increase of \$2,947,109 to provide an inflation adjustment within the rebasing of nursing facilities' reimbursement rates. House File 825 includes a cap on State expenditures for all nursing facilities of \$161,600,000, which is a net increase of \$5,586,752 compared to the estimated net FY 2005 appropriation. The increase includes the following:

- An estimated increase of \$6,836,752 (4.38%) in provider reimbursement rates for the statutorily required reimbursement rate rebase. This amount is funded in HF 825.
- An estimated increase of \$2,947,109 (2.21%) to provide an inflation adjustment for the rebase. The inflation rate will be adjusted to ensure that the rebasing remains within the overall appropriation cap of \$161,600,000. House File 825 set this inflation adjustment at 0.00%. This Bill amends the inflation language to "not less than zero," and appropriates an increase of \$2,947,109 from the Senior Living Trust Fund for the estimated 2.21% inflation adjustment.

A decrease of \$4,197,109 to eliminate excess payments for direct and non-direct care.

6 32 Sec. 14. 2001 Iowa Acts, chapter 174, section 1,  
 6 33 subsection 2, as amended by 2002 Iowa Acts, chapter 1174,  
 6 34 section 8, 2003 Iowa Acts, chapter 179, section 38, and 2004  
 6 35 Iowa Acts, chapter 1175, section 270, is amended to read as

CODE: Repeals the FY 2006 General Fund appropriation of \$29,562,000 to the Endowment for Iowa's Health Account.

DETAIL: These funds were originally appropriated in SF 533 (FY 2002 Tobacco Settlement Trust Fund Appropriations Act) for the

7 1 follows:  
 7 2 2. There is appropriated from the general fund of the  
 7 3 state to the endowment for Iowa's health account of the  
 7 4 tobacco settlement trust fund created in section 12E.12, for  
 7 5 the designated fiscal years, the following amounts, to be used  
 7 6 for the purposes specified in section 12E.12 for the endowment  
 7 7 for Iowa's health account:

7 8 FY 2001-2002 .....	\$ 7,248,000
7 9 FY 2003-2004 .....	\$ 0
7 10 FY 2004-2005 .....	\$ 0
7 11 FY 2005-2006 .....	\$ 29,562,000
7 12	<u>0</u>
7 13 FY 2006-2007 .....	\$ 17,773,000

purpose of funding the Endowment for Iowa's Health Account. The Endowment also receives an annual allocation of \$70,000,000 from the State Wagering Tax. The Endowment was established to provide a long-term funding source for the Healthy Iowans Tobacco Trust to be used for health care, substance abuse treatment and enforcement, tobacco use prevention and control, and other purposes related to the needs of children, adults, and facilities in the State.

7 14 Sec. 15. Section 8.55, subsection 2, paragraphs b and d,  
 7 15 Code 2005, are amended by striking the paragraphs.

CODE: Repeals the provision to reimburse the Endowment for Iowa's Health Account.

DETAIL: Eliminates total estimated repayments of \$171,536,000 from the General Fund.

7 16 Sec. 16. Section 8.55, subsection 2, paragraph c, Code  
 7 17 2005, is amended to read as follows:  
 7 18 c. Notwithstanding paragraph "a", any moneys in excess of  
 7 19 the maximum balance in the economic emergency fund after the  
 7 20 distribution of the surplus in the general fund of the state  
 7 21 at the conclusion of each fiscal year ~~and after the~~  
 7 22 ~~appropriate amount has been transferred pursuant to paragraph~~  
 7 23 ~~"b"~~, shall not be transferred to the general fund of the state  
 7 24 but shall be transferred to the senior living trust fund. The  
 7 25 total amount transferred, in the aggregate, under this  
 7 26 paragraph for all fiscal years shall not exceed one hundred  
 7 27 eighteen million dollars.

CODE: Technical correction to current statutory language to remove paragraph references.

7 28 Sec. 17. Section 256D.5, subsection 4, Code 2005, is  
 7 29 amended to read as follows:

CODE: Extends the sunset and the \$29,250,000 General Fund appropriation for the Early Intervention Block Grant Program (Class

<p>7 30 4. For <u>each fiscal year of the fiscal year period</u>  7 31 beginning July 1, 2004, and ending June 30, <del>2005</del> <u>2006</u>, the sum  7 32 of twenty-nine million two hundred fifty thousand dollars.</p>	<p>Size Reduction) for one year until the end of FY 2006.</p>
<p>7 33 Sec. 18. Section 292.4, Code 2005, is repealed.</p>	<p>CODE: Repeals the annual \$5,000,000 standing appropriation for the Secure an Advanced Vision for Education Fund.</p> <p>DETAIL: This section is made retroactive to July 1, 2004, effectively deappropriating the FY 2005 appropriation (see below).</p>
<p>7 34 Sec. 19. EFFECTIVE AND RETROACTIVE APPLICABILITY DATES.  7 35 1. The section of this division of this Act repealing  8 1 section 292.4, being deemed of immediate importance, takes  8 2 effect upon enactment and applies retroactively to July 1,  8 3 2004.</p>	<p>Specifies that Section 15 of the Bill, repealing the standing appropriation for the Secure an Advanced Vision for Education Fund, takes effect upon enactment and is retroactive to July 1, 2004.</p>
<p>8 4 2. The section of this division of this Act amending House  8 5 File 810 to increase the funding and FTEs for the banking  8 6 division is contingent upon the enactment of House File 737.</p>	<p>Specifies that the Section of the Bill increasing funding for the Banking Division of the Department of Commerce is contingent upon the enactment of House File 737 (Mortgage Brokers Licensing Bill).</p>
<p>8 7 3. The section of this division of this Act amending House  8 8 File 810 to increase the funding and FTEs for the professional  8 9 licensing and regulation division is contingent upon the  8 10 enactment of Senate File 405.</p>	<p>Specifies that the Section of the Bill increasing funding for the Professional Licensing and Regulation Division of the Department of Commerce is contingent upon the enactment of Senate File 405 (Interior Designers Title Bill).</p>
<p>8 11 DIVISION IV  8 12 MISCELLANEOUS STATUTORY CHANGES</p>	
<p>8 13 Sec. 20. Section 12B.10, Code 2005, is amended by adding  8 14 the following new subsections:  8 15 <u>NEW SUBSECTION.</u> 7. Notwithstanding sections 12C.2, 12C.4,  8 16 12C.6, 12C.6A, and any other provision of law relating to the  8 17 deposits of public funds, if public funds are deposited in a</p>	<p>CODE: Requires that the principal and interest portions of public fund deposits be covered by federal deposit insurance. Specifies that the depository is the custodian of certificates of deposit and that certificates of deposit must be covered by federal deposit insurance.</p>

8 18 depository, as defined in section 12C.1, then, in addition to  
8 19 investments authorized in subsections 4 and 5, any uninsured  
8 20 portion of the public funds invested through the depository  
8 21 may be invested in certificates of deposit arranged by the  
8 22 depository that are issued by one or more federally insured  
8 23 banks or savings associations regardless of location for the  
8 24 account of the public funds depositor if all of the following  
8 25 requirements are satisfied:  
8 26 a. The full amount of the principal and any accrued  
8 27 interest of each certificate of deposit issued shall be  
8 28 covered by federal deposit insurance.  
8 29 b. The depository, either directly or through an agent or  
8 30 subcustodian, shall act as custodian of the certificates of  
8 31 deposit.  
8 32 c. The day the certificates of deposit are issued, the  
8 33 depository shall have received deposits in an amount eligible  
8 34 for federal deposit insurance from, and issued certificates of  
8 35 deposit to, customers of other financial institutions wherever  
9 1 located that are equal to or greater than the amount of public  
9 2 funds invested under this subsection by the public funds  
9 3 depositor through the depository.

9 4 NEW SUBSECTION. 8. As used in this section, "public  
9 5 funds" means the same as defined in section 12C.1, subsection  
9 6 2.

CODE: Expands the definition of "public funds" to include funds of the State or a political subdivision or instrumentality of the State including a county, school corporation, special district, drainage district, unincorporated town or township, municipality, or municipal corporation or any agency, board, or commission of the State or a political subdivision. Moneys of the State include moneys which are transmitted to a depository for purposes of completing an electronic financial transaction.

9 7 Sec. 21. Section 12C.22, subsection 2, unnumbered  
9 8 paragraph 1, Code 2005, is amended to read as follows:  
9 9 The amount of the collateral required to be pledged by a  
9 10 bank shall at all times equal or exceed the total of the  
9 11 amount by which the public funds deposits in the bank exceeds

CODE: Specifies that certificates of deposit that cover uninsured public funds are not considered public fund deposits for purposes of calculating the amount of collateral required to be pledged.

9 12 the total capital of the bank. For purposes of this section,  
 9 13 deposits that comply with section 12B.10, subsection 7, that  
 9 14 are evidenced either by one or more certificates of deposit,  
 9 15 or one or more orders for the next business day settlement and  
 9 16 issuance of certificates of deposit, by a federally insured  
 9 17 bank or savings association other than the depository, shall  
 9 18 not be deemed public fund deposits in the bank or savings  
 9 19 association. For purposes of this chapter, unless the context  
 9 20 otherwise requires, "total capital of the bank" means its tier  
 9 21 one capital plus both of the following components of tier two  
 9 22 capital:

9 23 Sec. 22. Section 12C.23A, subsection 3, paragraph d, Code  
 9 24 2005, is amended by adding the following new unnumbered  
 9 25 paragraph:  
 9 26 NEW UNNUMBERED PARAGRAPH. For purposes of this section,  
 9 27 when calculating uninsured public funds, a bank shall include  
 9 28 all deposits of customers of other financial institutions as  
 9 29 permitted by section 12B.10, subsection 7.

CODE: Requires banks to include all deposits from customers or other financial institutions authorized in Section 17 of this Bill, when calculating uninsured public funds to determine the amount of assessment.

9 30 Sec. 23. Section 99F.6, subsection 4, paragraph a, Code  
 9 31 2005, is amended to read as follows:  
 9 32 a. Before a license is granted, the division of criminal  
 9 33 investigation of the department of public safety shall conduct  
 9 34 a thorough background investigation of the applicant for a  
 9 35 license to operate a gambling game operation on an excursion  
 10 1 gambling boat. The applicant shall provide information on a  
 10 2 form as required by the division of criminal investigation. A  
 10 3 qualified sponsoring organization licensed to operate gambling  
 10 4 games under this chapter shall distribute the receipts of all  
 10 5 gambling games, less reasonable expenses, charges, taxes,  
 10 6 fees, and deductions allowed under this chapter, as winnings  
 10 7 to players or participants or shall distribute the receipts  
 10 8 for educational, civic, public, charitable, patriotic, or  
 10 9 religious uses as defined in section 99B.7, subsection 3,  
 10 10 paragraph "b". However, a licensee to conduct gambling games

CODE: Specifies that net receipts, for purposes of determining the total annual purses for all horse racing, is the amount of adjusted gross receipts less the annual amount of money pledged for bonded indebtedness of a project receiving Vision Iowa funds.

10 11 under this chapter shall, unless an operating agreement for an  
10 12 excursion gambling boat otherwise provides, distribute at  
10 13 least three percent of the adjusted gross receipts for each  
10 14 license year for educational, civic, public, charitable,  
10 15 patriotic, or religious uses as defined in section 99B.7,  
10 16 subsection 3, paragraph "b". However, if a licensee who is  
10 17 also licensed to conduct pari-mutuel wagering at a horse  
10 18 racetrack has unpaid debt from the pari-mutuel racetrack  
10 19 operations, the first receipts of the gambling games operated  
10 20 within the racetrack enclosure less reasonable operating  
10 21 expenses, taxes, and fees allowed under this chapter shall be  
10 22 first used to pay the annual indebtedness. The commission  
10 23 shall authorize, subject to the debt payments for horse  
10 24 racetracks and the provisions of paragraph "b" for dog  
10 25 racetracks, a licensee who is also licensed to conduct pari-  
10 26 mutuel dog or horse racing to use receipts from gambling games  
10 27 within the racetrack enclosure to supplement purses for races  
10 28 particularly for Iowa-bred horses pursuant to an agreement  
10 29 which shall be negotiated between the licensee and  
10 30 representatives of the dog or horse owners. For agreements  
10 31 subject to commission approval concerning purses for horse  
10 32 racing beginning on or after January 1, 2006, and ending  
10 33 before January 1, 2021, the agreements shall provide that  
10 34 total annual purses for all horse racing shall be no less than  
10 35 eleven percent of the first two hundred million dollars of net  
11 1 receipts, and six percent of net receipts above two hundred  
11 2 million dollars. Agreements that are subject to commission  
11 3 approval concerning horse purses for a particular period of  
11 4 time beginning on or after January 1, 2006, and ending before  
11 5 January 1, 2021, shall be jointly submitted to the commission  
11 6 for approval. A qualified sponsoring organization shall not  
11 7 make a contribution to a candidate, political committee,  
11 8 candidate's committee, state statutory political committee,  
11 9 county statutory political committee, national political  
11 10 party, or fund-raising event as these terms are defined in  
11 11 section 68A.102. The membership of the board of directors of  
11 12 a qualified sponsoring organization shall represent a broad

11 13 interest of the communities. For purposes of this paragraph,  
11 14 "net receipts" means the annual adjusted gross receipts from  
11 15 all gambling games less the annual amount of money pledged for  
11 16 bonded indebtedness by the owner of the facility to fund a  
11 17 project approved to receive vision Iowa funds as of July 1,  
11 18 2004.

11 19 Sec. 24. Section 124.212, subsection 4, paragraph c, as  
11 20 enacted by 2005 Iowa Acts, Senate File 169, section 1, is  
11 21 amended to read as follows:  
11 22 c. Pseudoephedrine. A person shall present a government-  
11 23 issued photo identification card when purchasing a  
11 24 pseudoephedrine product from a pharmacy. A person shall not  
11 25 purchase more than seven thousand five hundred milligrams of  
11 26 pseudoephedrine, either separately or collectively, within a  
11 27 thirty-day period from a pharmacy, unless the person has a  
11 28 prescription for a pseudoephedrine product in excess of that  
11 29 quantity.

CODE: Requires that a government-issued photo identification card be presented to the pharmacist when purchasing pseudoephedrine.

11 30 Sec. 25. Section 142A.4, Code 2005, is amended by adding  
11 31 the following new subsection:  
11 32 NEW SUBSECTION. 23. Approve the content of any materials  
11 33 distributed by the youth program pursuant to section 142A.9,  
11 34 prior to distribution of the materials.

CODE: Requires the Tobacco Use Prevention and Control Commission to approve materials distributed by the Just Eliminate Lies (JEL) Youth Program prior to distribution.

11 35 Sec. 26. Section 257.14, subsection 3, unnumbered  
12 1 paragraph 2, Code 2005, is amended by striking the unnumbered  
12 2 paragraph.

CODE: Repeals the requirement that school districts receive the step-down budget guarantee in FY 2005 to be eligible for that option in subsequent years.

12 3 Sec. 27. Section 403A.10, Code 2005, is amended by adding  
12 4 the following new unnumbered paragraph:  
12 5 NEW UNNUMBERED PARAGRAPH. The property acquired or held  
12 6 pursuant to this chapter located in a city with a population  
12 7 of at least one hundred ten thousand residents with a public

CODE: Specifies that privately-owned low-rent public housing in cities larger than 110,000 in population, where the city does not own or manage low-rent housing stock, is exempt from property taxes.

12 8 housing authority that does not own or manage housing stock  
12 9 for the purpose of low-rent housing is declared to be public  
12 10 property used exclusively for essential city, or municipal  
12 11 public and governmental purposes and such property is declared  
12 12 to be exempt from all taxes and special assessments of the  
12 13 state or of any state public body. In lieu of taxes on such  
12 14 property a municipality may agree to make payments to the  
12 15 state or a state public body, including itself, as it finds  
12 16 consistent with the maintenance of the low-rent character of  
12 17 housing projects and the achievement of the purposes of this  
12 18 chapter.

12 19 Sec. 28. Section 423E.5, unnumbered paragraph 1, Code  
12 20 2005, is amended to read as follows:

12 21 The board of directors of a school district shall be  
12 22 authorized to issue negotiable, interest-bearing school bonds,  
12 23 without election, and utilize tax receipts derived from the  
12 24 sales and services tax for school infrastructure purposes and  
12 25 the supplemental school infrastructure amount distributed  
12 26 pursuant to section 423E.4, subsection 2, paragraph "b", for  
12 27 principal and interest repayment. Proceeds of the bonds  
12 28 issued pursuant to this section shall be utilized solely for  
12 29 school infrastructure needs as school infrastructure is  
12 30 defined in section 423E.1, subsection 3. Bonds issued under  
12 31 this section may be sold at public ~~or private~~ sale as provided  
12 32 in chapter 75, or at private sale, without notice and hearing  
12 33 as provided in section 73A.12. Bonds may bear dates, bear  
12 34 interest at rates not exceeding that permitted by chapter 74A,  
12 35 mature in one or more installments, be in registered form,  
13 1 carry registration and conversion privileges, be payable as to  
13 2 principal and interest at times and places, be subject to  
13 3 terms of redemption prior to maturity with or without premium,  
13 4 and be in one or more denominations, all as provided by the  
13 5 resolution of the board of directors authorizing their  
13 6 issuance. The resolution may also prescribe additional  
13 7 provisions, terms, conditions, and covenants which the board

CODE: Permits the private sale of bonds in anticipation of revenues from the School Infrastructure Local Option (SILO) Sales and Services Tax in a manner similar to that permitted for the regular city and county sales and services tax revenue bonds.



13 8 of directors deems advisable, including provisions for  
 13 9 creating and maintaining reserve funds, the issuance of  
 13 10 additional bonds ranking on a parity with such bonds and  
 13 11 additional bonds junior and subordinate to such bonds, and  
 13 12 that such bonds shall rank on a parity with or be junior and  
 13 13 subordinate to any bonds which may be then outstanding. Bonds  
 13 14 may be issued to refund outstanding and previously issued  
 13 15 bonds under this section. Local option sales and services tax  
 13 16 revenue bonds are a contract between the school district and  
 13 17 holders, and the resolution issuing the bonds and pledging  
 13 18 local option sales and services tax revenues to the payment of  
 13 19 principal and interest on the bonds is a part of the contract.  
 13 20 Bonds issued pursuant to this section shall not constitute  
 13 21 indebtedness within the meaning of any constitutional or  
 13 22 statutory debt limitation or restriction, and shall not be  
 13 23 subject to any other law relating to the authorization,  
 13 24 issuance, or sale of bonds.

13 25 Sec. 29. Section 456A.37, subsection 1, paragraph c, Code  
 13 26 2005, is amended to read as follows:

13 27 c. "Aquatic invasive species" means a species that is not  
 13 28 native to an ecosystem and whose introduction causes or is  
 13 29 likely to cause economic or environmental harm or harm to  
 13 30 human health including but not limited to habitat alteration  
 13 31 and degradation, and loss of biodiversity. For the purposes  
 13 32 of this section, "aquatic invasive species" are limited to  
 13 33 Eurasian water milfoil, purple loosestrife, and zebra mussels,  
 13 34 ~~except as provided in subsection 4 and those species~~  
 13 35 identified as "aquatic invasive species" by the commission by  
 14 1 rule.

CODE: Allows the Natural Resource Commission to identify additional species as aquatic invasive species.

DETAIL: Aquatic invasive species are alien species that have been introduced into an ecosystem and often reproduce dramatically as there are no natural competitors such as disease or predators. As they increase in number, they affect the structure and function of the native ecosystem and can eliminate the native species.

14 2 Sec. 30. Section 456A.37, subsection 4, unnumbered  
 14 3 paragraph 2, Code 2005, is amended to read as follows:  
 14 4 c. If the commission determines that an additional species  
 14 5 should be defined as an "aquatic invasive species", the  
 14 6 species ~~may~~ shall be defined by the commission by rule as an

CODE: Specifies that additions to the aquatic invasive species listing will be done through the Administrative Rules process.

14 7 "aquatic invasive species" subject to enactment of the  
14 8 definition by the general assembly at the next regular session  
14 9 of the general assembly. Failure of the general assembly to  
14 10 enact the definition pursuant to this paragraph constitutes a  
14 11 nullification of the definition effective upon adjournment of  
14 12 that next regular session of the general assembly.

14 13 Sec. 31. Section 543B.34, subsection 9, paragraph a,  
14 14 unnumbered paragraph 1, Code 2005, is amended to read as  
14 15 follows:

14 16 Paying a commission or other valuable consideration or any  
14 17 part of such commission or consideration for performing any of  
14 18 the acts specified in this chapter to a person who is not a  
14 19 licensed broker or salesperson under this chapter or who is  
14 20 not engaged in the real estate business in another state or  
14 21 foreign country, ~~or paying a commission or other valuable~~  
14 22 ~~consideration for performing any of the acts specified in this~~  
14 23 ~~chapter to a licensee knowing that the licensee will pay a~~  
14 24 ~~portion of or all of such commission or consideration to a~~  
14 25 ~~person or party who is not licensed pursuant to this chapter,~~  
14 26 provided that the provisions of this section shall not be  
14 27 construed to prohibit the payment of earned commissions or  
14 28 consideration to any of the following:

CODE: Repeals potential sanctions for real estate brokers and salespersons that pay consideration to real estate licensees, knowing that the licensee will pay a portion of the consideration to a person that is not licensed.

14 29 Sec. 32. Section 543B.60A, Code 2005, is amended by  
14 30 striking the section and inserting in lieu thereof the  
14 31 following:

14 32 543B.60A PROHIBITED PRACTICES.

14 33 1. A licensee shall not request a referral fee after a  
14 34 bona fide offer to purchase is accepted.

14 35 2. A licensee shall not request a referral fee after a  
15 1 bona fide listing agreement has been signed.

15 2 3. A licensee shall not offer, promote, perform, provide,  
15 3 or otherwise participate in any marketing plan that requires a  
15 4 consumer to receive brokerage services, including referral  
15 5 services, from two or more licensees in a single real estate

CODE: Amends the restrictions and prohibited practices for real estate licensees.

15 6 transaction, as a required condition for the consumer to  
15 7 receive either of the following:  
15 8 a. Brokerage services from one or more of such licensees.  
15 9 b. A rebate, prize, or other inducement from one or more  
15 10 such licensees.  
15 11 4. For purposes of this section, "consumer" shall include  
15 12 parties or prospective parties to a real estate transaction,  
15 13 clients or prospective clients of a licensee, or customers or  
15 14 prospective customers of a licensee.  
15 15 5. This section does not address relationships between a  
15 16 broker and the broker associates or salespersons licensed  
15 17 under, employed by, or otherwise associated with the broker in  
15 18 a real estate brokerage agency.  
15 19 6. A violation of this section is deemed a violation of  
15 20 section 543B.29, subsection 3.  
15 21 7. The purpose of this section is to prohibit licensee  
15 22 practices that interfere with contractual arrangements, place  
15 23 improper restrictions on consumer choice, compromise a  
15 24 licensee's fiduciary obligations, and create conflicts of  
15 25 interest.

15 26 Sec. 33. Section 579A.2, subsection 3, paragraph b, Code  
15 27 2005, is amended to read as follows:

15 28 b. The lien terminates one year after the cattle have left  
15 29 the custom cattle feedlot. ~~Section 554.9515 shall not apply~~  
15 30 ~~to a financing statement perfecting the lien.~~ The lien may be  
15 31 terminated by the custom cattle feedlot operator who files a  
15 32 termination statement as provided in chapter 554, article 9.

CODE: Strikes language regarding financial statements that perfect a lien.

15 33 Sec. 34. Section 579B.4, subsection 1, paragraph b, Code  
15 34 2005, is amended to read as follows:

15 35 b. For a lien arising out of producing a crop, the lien  
16 1 becomes effective the day that the crop is first planted. In  
16 2 order to perfect the lien, the contract producer must file a  
16 3 financing statement in the office of the secretary of state as

CODE: Strikes language regarding financial statements that perfect a lien.

16 4 provided in section 554.9308. The contract producer must file  
 16 5 a financing statement for the crop within forty-five days  
 16 6 after the crop is first planted. The lien terminates one year  
 16 7 after the crop is no longer under the authority of the  
 16 8 contract producer. For purposes of this section, a crop is no  
 16 9 longer under the authority of the contract producer when the  
 16 10 crop or a warehouse receipt issued by a warehouse operator  
 16 11 licensed under chapter 203C for grain from the crop is no  
 16 12 longer under the custody or control of the contract producer.  
 16 13 ~~Section 554.9515 shall not apply to a financing statement~~  
 16 14 ~~perfecting the lien.~~ The lien may be terminated by the  
 16 15 contract producer who files a termination statement as  
 16 16 provided in chapter 554, article 9.

16 17 DIVISION V  
 16 18 JUSTICE SYSTEM AND JUDICIAL BRANCH

16 19 Sec. 35. STUDY OF COURT RULE RELATED TO TRIBAL COURTS.  
 16 20 The general assembly acknowledges that contact and interaction  
 16 21 between the Iowa court system and federally recognized tribal  
 16 22 courts are ever increasing and the general assembly urges the  
 16 23 Iowa supreme court to study this interaction and consider  
 16 24 developing and prescribing rules that relate to the tribal  
 16 25 court system, tribal court orders, judgments, and decrees.

States that the General Assembly encourages the Supreme Court to consider developing and prescribing a rule that recognizes the tribal court system and enforces tribal court orders, judgments, and degrees.

16 26 Sec. 36. NEW SECTION. 80.43 VEHICLE DEPRECIATION ACCOUNT  
 16 27 -- IOWA STATE PATROL.  
 16 28 1. There is appropriated from the general fund of the  
 16 29 state to the department of public safety for the indicated  
 16 30 fiscal years, the following amounts, or so much thereof as is  
 16 31 necessary, to be credited to the department's account under  
 16 32 section 8A.365 for vehicles utilized by the Iowa state patrol  
 16 33 and to be used as directed by the department of public safety  
 16 34 for the purchase of state patrol vehicles:  
 16 35 a. For the fiscal year beginning July 1, 2005, and ending

General Fund appropriations to the Department of Public Safety to be credited to the Vehicle Depreciation Account. Makes multiple year appropriations as follows:

- FY 2006 - \$596,000
- FY 2007 - \$709,000
- FY 2008 - \$841,000
- FY 2009 - \$841,000

DETAIL: This language reinstates appropriations that were line-item

17 1 June 30, 2006, five hundred ninety-six thousand dollars.  
 17 2 b. For the fiscal year beginning July 1, 2006, and ending  
 17 3 June 30, 2007, seven hundred nine thousand dollars.  
 17 4 c. For the fiscal year beginning July 1, 2007, and ending  
 17 5 June 30, 2008, eight hundred forty-one thousand dollars.  
 17 6 d. For the fiscal year beginning July 1, 2008, and ending  
 17 7 June 30, 2009, eight hundred forty-one thousand dollars.  
 17 8 2. Notwithstanding section 12C.7, subsection 2, interest  
 17 9 or earnings on moneys credited to the account pursuant to this  
 17 10 section shall be credited to the account. Notwithstanding  
 17 11 sections 8.33 and 8A.365, moneys appropriated in this section  
 17 12 that remain unencumbered or unobligated at the close of the  
 17 13 fiscal year shall not revert but shall remain available for  
 17 14 expenditure for the purposes designated.

vetoed by the Governor in HF 826 (Speed Limit Act). These appropriations will be offset by increased General Fund revenue as a result of increased fines and fees in HF 826. The funds are to be used to purchase vehicles for the Iowa State Patrol. The number of cars estimated to be purchased with these funds is as follows:

- FY 2006 - 28 cars
- FY 2007 - 34 cars
- FY 2008 - 40 cars
- FY 2009 - 40 cars

Requires interest earned on the Fund to be deposited in the Fund and specifies nonreversion of funds.

17 15 Sec. 37. Section 602.6401, subsection 1, Code 2005, is  
 17 16 amended to read as follows:  
 17 17 1. ~~One Two~~ hundred ~~ninety-one~~ six magistrates shall be  
 17 18 apportioned among the counties as provided in this section.  
 17 19 Magistrates appointed pursuant to section 602.6402 shall not  
 17 20 be counted for purposes of this section.

CODE: Increases the number of magistrates from 191 to 206.

DETAIL: The estimated annual cost of salary and benefits for each magistrate is approximately \$36,000 per year. The cost to add 15 magistrates is approximately \$540,000 per year. The appropriation to the Judicial Branch is increased by \$320,000 in a Section 41 of this Bill to partially offset this cost. The remaining cost will be absorbed by the Judicial Branch's operating budget.

17 21 Sec. 38. NEW SECTION. 602.8102A NOTICES RETURNED FOR  
 17 22 UNKNOWN ADDRESS -- RESENDING.  
 17 23 Notwithstanding any other provision of the Code to the  
 17 24 contrary, and subject to rules prescribed by the supreme  
 17 25 court, if the clerk of the district court sends a mailing or  
 17 26 notice to a person or party and the mailing or notice is  
 17 27 returned by the postal service to the clerk of the district  
 17 28 court as undeliverable, the clerk is not required to send a  
 17 29 repeat or subsequent mailing or notice unless the clerk

CODE: Specifies the Clerk of a District Court is not required to send a repeat or subsequent mailing of returned notice unless an address correction is provided.

17 30 receives an updated mailing address.

17 31 Sec. 39. Section 602.8105, subsection 2, Code 2005, is  
17 32 amended to read as follows:

17 33 2. The clerk of the district court shall collect the  
17 34 following fees for miscellaneous services:

17 35 a. For filing, entering, and endorsing a mechanic's lien,  
18 1 twenty dollars, and if a suit is brought, the fee is taxable  
18 2 as other costs in the action.

18 3 b. For filing and entering an agricultural supply dealer's  
18 4 lien and any other statutory lien, twenty dollars.

18 5 c. For a certificate and seal, ten dollars. However,  
18 6 there shall be no charge for a certificate and seal to an  
18 7 application to procure a pension, bounty, or back pay for a  
18 8 member of the armed services or other person.

18 9 d. For certifying a change in title of real estate, twenty  
18 10 dollars.

18 11 e. For filing a praecipe to issue execution under chapter  
18 12 626, twenty-five dollars.

18 13 f. For filing a praecipe to issue execution under chapter  
18 14 654, fifty dollars.

18 15 g. For filing a confession of judgment under chapter 676,  
18 16 fifty dollars if the judgment is five thousand dollars or  
18 17 less, and one hundred dollars if the judgment exceeds five  
18 18 thousand dollars.

18 19 ~~e.~~ h. Other fees provided by law.

CODE: Adds the following new fees:

- \$25.00 filing fee for a praecipe to issue an execution or enforcement of a judgment
- (general executions).
- \$50.00 filing fee for a praecipe to issue an execution or foreclosure of real estate mortgages (special executions).
- \$50.00 filing fee for confession of judgments \$5,000 or less.
- \$100.00 filing fee for confession of judgments greater than \$5,000.

DETAIL: In calendar year 2004, there were 6,937 general executions, 2,312 special executions, and 640 confessions of judgment. These fee changes will result in approximately \$337,000 in additional revenue to the General Fund annually. Because these are civil filing fees, a 100.00% collection rate is assumed since the action will not proceed unless the fee is paid at the time of filing. These filing fees are for the collection of debts after an order or judgment has been received against the debtor.

18 20 Sec. 40. Section 901.4, Code 2005, is amended to read as  
18 21 follows:

18 22 901.4 PRESENTENCE INVESTIGATION REPORT CONFIDENTIAL --  
18 23 DISTRIBUTION.

18 24 The presentence investigation report is confidential and  
18 25 the court shall provide safeguards to ensure its  
18 26 confidentiality, including but not limited to sealing the  
18 27 report, which may be opened only by further court order. At  
18 28 least three days prior to the date set for sentencing, the

CODE: Permits copies of presentence investigation reports to be sent by regular or electronic mail rather than being served in person.

18 29 court shall ~~serve~~ send a copy of all of the presentence  
18 30 investigation report ~~upon~~ by ordinary or electronic mail, to  
18 31 the defendant's attorney and the attorney for the state, and  
18 32 the report shall remain confidential except upon court order.  
18 33 However, the court may conceal the identity of the person who  
18 34 provided confidential information. The report of a medical  
18 35 examination or psychological or psychiatric evaluation shall  
19 1 be made available to the attorney for the state and to the  
19 2 defendant upon request. The reports are part of the record  
19 3 but shall be sealed and opened only on order of the court. If  
19 4 the defendant is committed to the custody of the Iowa  
19 5 department of corrections and is not a class "A" felon, a copy  
19 6 of the presentence investigation report shall be forwarded by  
19 7 ordinary or electronic mail to the director with the order of  
19 8 commitment by the clerk of the district court and to the board  
19 9 of parole at the time of commitment. Pursuant to section  
19 10 904.602, the presentence investigation report may also be  
19 11 released by ordinary or electronic mail by the department of  
19 12 corrections or a judicial district department of correctional  
19 13 services to another jurisdiction for the purpose of providing  
19 14 interstate probation and parole compact or interstate compact  
19 15 for adult offender supervision services or evaluations, or to  
19 16 a substance abuse or mental health services provider when  
19 17 referring a defendant for services. The defendant or the  
19 18 defendant's attorney may file with the presentence  
19 19 investigation report, a denial or refutation of the  
19 20 allegations, or both, contained in the report. The denial or  
19 21 refutation shall be included in the report. If the person is  
19 22 sentenced for an offense which requires registration under  
19 23 chapter 692A, the court shall release the report by ordinary  
19 24 or electronic mail to the department.

19 25 Sec. 41. 2005 Iowa Acts, House File 807, section 1,  
19 26 subsection 1, unnumbered paragraph 2, if enacted, is amended  
19 27 to read as follows:

19 28 For salaries of supreme court justices, appellate court

CODE: Increases the General Fund appropriation to the Judicial Branch by \$320,000.

DETAIL: A portion of this appropriation will be offset by increased revenue resulting from additional filing fees authorized in Section 39

19 29 judges, district court judges, district associate judges,  
 19 30 judicial magistrates and staff, state court administrator,  
 19 31 clerk of the supreme court, district court administrators,  
 19 32 clerks of the district court, juvenile court officers, board  
 19 33 of law examiners and board of examiners of shorthand reporters  
 19 34 and judicial qualifications commission, receipt and  
 19 35 disbursement of child support payments, reimbursement of the  
 20 1 auditor of state for expenses incurred in completing audits of  
 20 2 the offices of the clerks of the district court during the  
 20 3 fiscal year beginning July 1, 2005, and maintenance,  
 20 4 equipment, and miscellaneous purposes:  
 20 5 ..... \$118,084,282  
 20 6 ..... 118,404,282

of this Bill. The funds are to be used to offset the cost of adding 15 magistrates (see Section 37).

20 7 Sec. 42. 2005 Iowa Acts, House File 811, section 1,  
 20 8 subsection 1, paragraph c, if enacted, is amended to read as  
 20 9 follows:  
 20 10 c. For legal services for persons in poverty grants as  
 20 11 provided in section 13.34:  
 20 12 ..... \$ 0  
 20 13 ..... 750,000

CODE: General Fund appropriation to the Justice Department for the Legal Services Poverty Grants.

DETAIL: This appropriation will be offset by revenue resulting from the assessment of a civil penalty on the entry of a deferred judgment. These funds are to be used to reimburse civil attorneys for indigent clients.

20 14 Sec. 43. 2005 Iowa Acts, House File 811, section 14,  
 20 15 subsection 3, if enacted, is amended to read as follows:  
 20 16 3. For the criminalistics laboratory fund, if created in  
 20 17 section 602.8108:  
 20 18 ..... \$ 0  
 20 19 ..... 350,000

CODE: General Fund appropriation to the Department of Public Safety for the Crime Lab.

DETAIL: This appropriation will be offset by revenue resulting from increasing the criminal penalty surcharge. These funds are to be used to purchase crime lab equipment.

20 20 DIVISION VI  
 20 21 EDUCATION

20 22 Sec. 44. Section 11.6, subsection 1, paragraph a,  
 20 23 unnumbered paragraph 1, Code 2005, is amended to read as

CODE: Requires the revenues and expenditures of a nonprofit school organization to be included in the examination of the school



20 24 follows:  
 20 25 The financial condition and transactions of all cities and  
 20 26 city offices, counties, county hospitals organized under  
 20 27 chapters 347 and 347A, memorial hospitals organized under  
 20 28 chapter 37, entities organized under chapter 28E having gross  
 20 29 receipts in excess of one hundred thousand dollars in a fiscal  
 20 30 year, merged areas, area education agencies, and all school  
 20 31 offices in school districts, shall be examined at least once  
 20 32 each year, except that cities having a population of seven  
 20 33 hundred or more but less than two thousand shall be examined  
 20 34 at least once every four years, and cities having a population  
 20 35 of less than seven hundred may be examined as otherwise  
 21 1 provided in this section. The examination shall cover the  
 21 2 fiscal year next preceding the year in which the audit is  
 21 3 conducted. The examination of school offices shall include an  
 21 4 audit of all school funds, the certified annual financial  
 21 5 report, ~~and~~ the certified enrollment as provided in section  
 21 6 257.6, and the revenues and expenditures of any nonprofit  
 21 7 school organization established pursuant to section 279.60.  
 21 8 Differences in certified enrollment shall be reported to the  
 21 9 department of management. The examination of a city that owns  
 21 10 or operates a municipal utility providing local exchange  
 21 11 services pursuant to chapter 476 shall include an audit of the  
 21 12 city's compliance with section 388.10. The examination of a  
 21 13 city that owns or operates a municipal utility providing  
 21 14 telecommunications services pursuant to section 388.10 shall  
 21 15 include an audit of the city's compliance with section 388.10.

district's financial condition.

21 16 Sec. 45. Section 256.9, Code 2005, is amended by adding  
 21 17 the following new subsection:  
 21 18 NEW SUBSECTION. 53. Prepare and submit to the  
 21 19 chairpersons and ranking members of the senate and house  
 21 20 education committees a report on the state's progress toward  
 21 21 closing the achievement gap, including student achievement for  
 21 22 minority subgroups, and a comprehensive summary of state  
 21 23 agency and local district activities and practices taken in

CODE: Requires the Department of Education to report on the  
 State's progress in closing the achievement gap for minority groups.

21 24 the past year to close the achievement gap.

21 25 Sec. 46. NEW SECTION. 279.60 NONPROFIT SCHOOL  
21 26 ORGANIZATIONS.

21 27 The board of directors of a school district may take action  
21 28 to adopt a resolution to establish, and authorize expenditures  
21 29 for the operational support of, an entity or organization for  
21 30 the sole benefit of the school district and its students that  
21 31 is exempt from federal income taxation under section 501(c)(3)  
21 32 of the Internal Revenue Code. The entity or organization  
21 33 shall reimburse the school district for expenditures made by  
21 34 the school district on behalf of the entity or organization.  
21 35 Prior to establishing such an entity or organization, the  
22 1 board of directors shall hold a public hearing on the proposal  
22 2 to establish such an entity or organization. Such an entity  
22 3 or organization shall maintain its records in accordance with  
22 4 chapter 22, except that the entity or organization shall  
22 5 provide for the anonymity of a donor at the written request of  
22 6 the donor. The board of directors of a school district shall  
22 7 annually report to the department of education and to the  
22 8 local community the administrative expenditures, revenues, and  
22 9 activities of the entity or organization established by the  
22 10 school district pursuant to this section. The department  
22 11 shall include in its annual condition of education report a  
22 12 statewide summary of the expenditures and revenues submitted  
22 13 in accordance with this section.

CODE: Permits school boards to set up nonprofit organizations or foundations that are tax exempt under Section 501(c)(3) of the Internal Revenue Code for the benefit of the school district and its students. The organization is to reimburse the school district for expenditures made on its behalf. Records and reporting requirements are specified.

22 14 Sec. 47. Section 282.18, subsection 2, Code 2005, is  
22 15 amended to read as follows:  
22 16 2. By ~~January~~ March 1 of the preceding school year for  
22 17 students entering grades one through twelve, or by September 1  
22 18 of the current school year for students entering kindergarten,  
22 19 the parent or guardian shall send notification to the district  
22 20 of residence and the receiving district, on forms prescribed  
22 21 by the department of education, that the parent or guardian  
22 22 intends to enroll the parent's or guardian's child in a public

CODE: Changes the open-enrollment application date from January 1 to March 1 for grades one through twelve and to September 1 for children entering kindergarten. The school boards are permitted to grant the authority to approve open enrollment applications to the superintendent. Changes the date for notifying parents of open enrollment decisions from March 1 to June 1.

22 23 school in another school district. If a parent or guardian  
 22 24 fails to file a notification that the parent intends to enroll  
 22 25 the parent's or guardian's child in a public school in another  
 22 26 district by the deadline of January 1 of the previous year  
 22 27 specified in this subsection, and one of the criteria defined  
 22 28 in procedures of subsection 4 exists for the failure to meet  
 22 29 the deadline or if the request is to enroll a child in  
 22 30 kindergarten in a public school in another district, the  
 22 31 parent or guardian shall be permitted to enroll the child in  
 22 32 the other district in the same manner as if the deadline had  
 22 33 been met apply.  
 22 34 The board of the receiving district shall enroll the pupil  
 22 35 in a school in the receiving district for the following school  
 23 1 year unless the receiving district does not have classroom  
 23 2 space for the pupil. The board of directors of a receiving  
 23 3 district may adopt a policy granting the superintendent of the  
 23 4 school district authority to approve open enrollment  
 23 5 applications. If the request is granted, the board shall  
 23 6 transmit a copy of the form to the parent or guardian and the  
 23 7 school district of residence within five days after board  
 23 8 action, but not later than ~~March~~ June 1 of the preceding  
 23 9 school year. The parent or guardian may withdraw the request  
 23 10 at any time prior to the start of the school year. A denial  
 23 11 of a request by the board of a receiving district is not  
 23 12 subject to appeal.

23 13 Sec. 48. Section 282.18, subsection 4, paragraphs a and b,  
 23 14 Code 2005, are amended to read as follows:  
 23 15 a. After ~~January~~ March 1 of the preceding school year and  
 23 16 until the third Friday in September of that calendar year, the  
 23 17 parent or guardian shall send notification to the district of  
 23 18 residence and the receiving district, on forms prescribed by  
 23 19 the department of education, that good cause, as defined in  
 23 20 paragraph "b", exists for failure to meet the ~~January~~ March 1  
 23 21 deadline. The board of directors of a receiving school  
 23 22 district may adopt a policy granting the superintendent of the

CODE: Permits school boards to grant the authority to the  
 superintendent to approve an open enrollment application after the  
 March 1 deadline if good cause exists. Makes conforming and  
 technical changes.

23 23 school district authority to approve open enrollment  
23 24 applications submitted after the March 1 deadline. The board  
23 25 of the receiving district shall take action to approve the  
23 26 request if good cause exists. If the request is granted, the  
23 27 board shall transmit a copy of the form to the parent or  
23 28 guardian and the school district of residence within five days  
23 29 after board action. A denial of a request by the board of a  
23 30 receiving district is not subject to appeal.

23 31 b. For purposes of this section, "good cause" means a  
23 32 change in a child's residence due to a change in family  
23 33 residence, a change in the state in which the family residence  
23 34 is located, a change in a child's parents' marital status, a  
23 35 guardianship or custody proceeding, placement in foster care,  
24 1 adoption, participation in a foreign exchange program, or  
24 2 participation in a substance abuse or mental health treatment  
24 3 program, or a similar set of circumstances consistent with the  
24 4 definition of "good cause"; or a change in the status of a  
24 5 child's resident district such as removal of accreditation by  
24 6 the state board, surrender of accreditation, or permanent  
24 7 closure of a nonpublic school, revocation of a charter school  
24 8 contract as provided in section 256F.8, the failure of  
24 9 negotiations for a whole-grade sharing, reorganization,  
24 10 dissolution agreement or the rejection of a current whole-  
24 11 grade sharing agreement, or reorganization plan, or a similar  
24 12 set of circumstances consistent with the definition of "good  
24 13 cause". If the good cause relates to a change in status of a  
24 14 child's school district of residence, however, action by a  
24 15 parent or guardian must be taken to file the notification  
24 16 within forty-five days of the last board action or within  
24 17 thirty days of the certification of the election, whichever is  
24 18 applicable to the circumstances.

24 19 Sec. 49. Section 282.18, subsections 5 and 6, Code 2005,  
24 20 are amended to read as follows:

24 21 5. Open enrollment applications filed after January March  
24 22 1 of the preceding school year that do not qualify for good

CODE: Changes the open-enrollment application date from January 1  
to March 1.

24 23 cause as provided in subsection 4 shall be subject to the  
24 24 approval of the board of the resident district and the board  
24 25 of the receiving district. The parent or guardian shall send  
24 26 notification to the district of residence and the receiving  
24 27 district that the parent or guardian seeks to enroll the  
24 28 parent's or guardian's child in the receiving district. A  
24 29 decision of either board to deny an application filed under  
24 30 this subsection involving repeated acts of harassment of the  
24 31 student or serious health condition of the student that the  
24 32 resident district cannot adequately address is subject to  
24 33 appeal under section 290.1. The state board shall exercise  
24 34 broad discretion to achieve just and equitable results that  
24 35 are in the best interest of the affected child or children.

25 1 6. A request under this section is for a period of not  
25 2 less than one year. If the request is for more than one year  
25 3 and the parent or guardian desires to have the pupil enroll in  
25 4 a different district, the parent or guardian may petition the  
25 5 current receiving district by ~~January~~ March 1 of the previous  
25 6 school year for permission to enroll the pupil in a different  
25 7 district for a period of not less than one year. Upon receipt  
25 8 of such a request, the current receiving district board may  
25 9 act on the request to transfer to the other school district at  
25 10 the next regularly scheduled board meeting after the receipt  
25 11 of the request. The new receiving district shall enroll the  
25 12 pupil in a school in the district unless there is insufficient  
25 13 classroom space in the district or unless enrollment of the  
25 14 pupil would adversely affect the court-ordered or voluntary  
25 15 desegregation plan of the district. A denial of a request to  
25 16 change district enrollment within the approved period is not  
25 17 subject to appeal. However, a pupil who has been in  
25 18 attendance in another district under this section may return  
25 19 to the district of residence and enroll at any time, once the  
25 20 parent or guardian has notified the district of residence and  
25 21 the receiving district in writing of the decision to enroll  
25 22 the pupil in the district of residence.

25 24 paragraph 1, Code 2005, is amended to read as follows:  
25 25 A school district with a certified enrollment of fewer than  
25 26 two hundred fifty pupils in the entire district or certified  
25 27 enrollment of fewer than one hundred pupils in high school  
25 28 shall not expend the supplemental school infrastructure amount  
25 29 received for new construction or for payments for bonds issued  
25 30 for new construction against the supplemental school  
25 31 infrastructure amount without prior application to the  
25 32 department of education and receipt of a certificate of need  
25 33 pursuant to this subsection. However, a certificate of need  
25 34 is not required for the payment of outstanding bonds issued  
25 35 for new construction pursuant to section 296.1, before April  
26 1 1, 2003. A certificate of need is also not required for  
26 2 repairing schoolhouses or buildings, equipment, technology, or  
26 3 transportation equipment for transporting students as provided  
26 4 in section 298.3, or for construction necessary for compliance  
26 5 with the federal Americans With Disabilities Act pursuant to  
26 6 42 U.S.C. § 12101--12117. In determining whether a  
26 7 certificate of need shall be issued or denied, the department  
26 8 shall consider all of the following:

supplemental school infrastructure funds (SAVE Funds) receive a certificate of need from the Department of Education to apply only to school districts with fewer than 250 students or high schools with fewer than 100 students.

26 9 Sec. 51. RETROACTIVE APPLICABILITY FOR NONPROFIT SCHOOL  
26 10 ORGANIZATIONS. The provisions of section 279.60, as enacted  
26 11 by this division of this Act, authorizing the board of  
26 12 directors of a school district to establish and authorize  
26 13 expenditures for the operational support of an entity or  
26 14 organization for the sole benefit of the school district and  
26 15 its students, apply to entities or organizations established  
26 16 by the board of directors of a school district before, on, or  
26 17 after July 1, 2005.

Specifies that changes to provisions regarding nonprofit school organizations are effective regardless of when they were established.

26 18 DIVISION VII  
26 19 LAND RECORD INFORMATION SYSTEM

26 20 Sec. 52. NEW SECTION. 12B.6 CERTAIN PUBLIC FUNDS OF

CODE: Requires funds that are expended on a State-authorized

26 21 POLITICAL SUBDIVISIONS.

26 22 All funds received, expended, or held by an association of  
26 23 elected county officers before, on, or after the effective  
26 24 date of this Act, to implement a state-authorized program, are  
26 25 subject to audit by the auditor of state at the request of the  
26 26 government oversight committees or the legislative council.  
26 27 All such funds received or held on and after July 1, 2005,  
26 28 shall be deposited in a fund in the office of the treasurer of  
26 29 state.

program and held by an association of elected county officers are  
subject to audit. Funds received or held on July 1, 2005, are to be  
deposited in a fund in the Office of the Treasurer of State.

26 30 Sec. 53. Section 331.605C, subsection 4, Code 2005, is  
26 31 amended to read as follows:

26 32 4. The local government electronic transaction fund is  
26 33 established in the office of the treasurer of state under the  
26 34 control of the treasurer of state. Moneys deposited into the  
26 35 fund are not subject to section 8.33. Notwithstanding section  
27 1 12C.7, interest or earnings on moneys in the local government  
27 2 electronic transaction fund shall be credited to the fund.  
27 3 Moneys in the local government electronic transaction fund are  
27 4 not subject to transfer, appropriation, or reversion to any  
27 5 other fund, or any other use except as provided in this  
27 6 subsection. On a monthly basis, the county treasurer shall  
27 7 pay each fee collected pursuant to subsection 2 to the  
27 8 treasurer of state for deposit into the local government  
27 9 electronic transaction fund. Moneys credited to the local  
27 10 government electronic transaction fund are appropriated to the  
27 11 treasurer of state to be used for the purpose of paying the  
27 12 ongoing costs of integrating and maintaining the statewide  
27 13 internet website developed and implemented under subsection 1.

CODE: Allows funds that are credited to the Local Government  
Electronic Transaction Fund and appropriated to the Treasurer of  
State to be used for ongoing costs of integrating the Statewide  
internet web site, as well as maintaining the website.

27 14 Sec. 54. DEPARTMENT OF ADMINISTRATIVE SERVICES REVIEW.

27 15 1. The information technology enterprise in the department  
27 16 of administrative services shall commence a review and  
27 17 assessment of the implementation of the county land record

Requires the Information Technology Enterprise in the Department of  
Administrative Services to conduct an implementation review and data  
security audit of the County Land Record Information System.

27 18 information system created pursuant to section 331.605C and a  
27 19 data security audit. The review and assessment shall include  
27 20 but not be limited to a review of the functional and system  
27 21 requirements, design documentation, software code developed to  
27 22 support the business requirements, operational procedures,  
27 23 financial flows including a financial forecast, requests for  
27 24 proposals, and all contracts. The data security audit shall  
27 25 be completed separately, but in conjunction with the system  
27 26 review and assessment.

The data security audit is to be completed separately.

27 27 2. The information technology enterprise shall be paid for  
27 28 the costs of the assessment and audit based on the  
27 29 enterprise's published rates. Payments shall be made from  
27 30 funds collected pursuant to section 331.605C, subsection 2,  
27 31 and deposited with the treasurer of state.

Provides that the Information Technology Enterprise is to be paid for costs associated with the County Land Record Information System review and audit, based on the Enterprise's published rates. Payments are to be made from funds collected as a result of the \$1.00 fee collected for each recorded transaction beginning July 1, 2004. The \$1.00 fee is collected for the purpose of paying the ongoing costs associated with integrating and maintaining the County Land Record Information System.

27 32 3. The information technology enterprise shall provide at  
27 33 minimum two updates to the government oversight committees  
27 34 regarding the progress of the review and assessment on or  
27 35 before December 1, 2005. The government oversight committees  
28 1 may request additional updates.

Requires the Information Technology Enterprise to provide at least two updates to the Oversight Committees regarding the progress of the County Land Record Information System review and audit on or before December 1, 2005. The Oversight Committees may request additional updates.

28 2 4. The information technology enterprise shall provide a  
28 3 final report regarding the activities completed pursuant to  
28 4 this section, including any recommendations, by no later than  
28 5 December 30, 2005.

Requires the Information Technology Enterprise to provide a final report regarding all activities pursuant to the review and audit of the County Land Record Information System, including recommendations, by December 30, 2005.

28 6 5. The department of administrative services shall  
28 7 facilitate dialogue to integrate the county land record  
28 8 information system created pursuant to section 331.605C with  
28 9 electronic government internet applications of county  
28 10 treasurers, county recorders, county auditors, and county

Requires the Department of Administrative Services to facilitate discussions to integrate the County Land Record Information System with electronic government internet applications of various county officials. The Department is to file an integration plan with the General Assembly on or before November 1, 2005, and is to include



28 11 assessors. The department shall file an integration plan with  
28 12 the general assembly on or before November 1, 2005. The plan  
28 13 shall include integration concepts of the county treasurers,  
28 14 county recorders, county auditors, and county assessors.

integration concepts of the county officials.

28 15 Sec. 55. COUNTY LAND RECORD INFORMATION SYSTEM --  
28 16 ADDITIONAL PROVISIONS.

28 17 1. The board of supervisors of each county, on behalf of  
28 18 each county recorder, shall execute a chapter 28E agreement  
28 19 with the Iowa county recorders association for the  
28 20 implementation of the county land record information system.  
28 21 Such agreement shall require the Iowa county recorders  
28 22 association to execute contracts necessary for implementation  
28 23 of the county land record information system. The department  
28 24 of administrative services shall prescribe a uniform chapter  
28 25 28E agreement to be used by the counties, allowing for  
28 26 variances as to each county. The Iowa county recorders  
28 27 association shall submit to the general assembly on or before  
28 28 November 1, 2005, a long-range business plan for implementing  
28 29 and maintaining the county land record information system,  
28 30 including a plan for integrating the system with electronic  
28 31 government and internet applications of other governmental  
28 32 entities.

Requires the Board of Supervisors of each county to execute a 28E agreement with the Iowa County Recorders Association for implementation of the County Land Record Information System. The agreement will require the Association to execute contracts necessary for implementation of the System. The DAS is to impose a uniform chapter 28E agreement, allowing for variances for each county. The Iowa County Recorders Association is to submit to the General Assembly on or before November 1, 2005, a long-range plan for implementing and maintaining the System, including a plan for integrating the System with other electronic government internet applications. Polk County has agreed not to be part of the System.

28 33 2. The auditor of state shall conduct an audit of the fees  
28 34 collected pursuant to section 331.605C for the purpose of  
28 35 determining the amount of fees collected and the uses for  
29 1 which such fees have been and are being expended. Audit  
29 2 results shall be filed with the general assembly on or before  
29 3 November 1, 2005. The cost of the audit, not to exceed five  
29 4 thousand dollars, shall be paid from the local government  
29 5 electronic transaction fund in the office of the treasurer of  
29 6 state.

Requires the Auditor of State to conduct an audit of the fees currently collected by county auditors for recorded transactions, to determine the amount and use for which the fees have been expended. The cost of the audit is not to exceed \$5,000, and is to be paid from the Local Government Transaction Fund in the Office of the Treasurer of State.

County auditors collect a \$5.00 fee for each recorded transaction from July 1, 2003 to June 30, 2004, and a \$1.00 fee for each recorded transaction beginning July 1, 2004. The \$5.00 fee was collected for the purpose of planning and developing the County Land

Record Information System, and the \$1.00 fee is collected for the purpose of paying the ongoing costs associated with integrating and maintaining the System.

29 7 3. County recorders shall collect only statutorily  
29 8 authorized fees for land records management. County recorders  
29 9 shall not collect fees for viewing, accessing, or printing  
29 10 electronic land management documents until authorized by the  
29 11 general assembly.

Requires county recorders to collect only those fees authorized by statute for land records management, and are prohibited from collecting fees for additional tasks unless authorized by the General Assembly.

29 12 4. The Iowa state association of counties shall provide  
29 13 information to the government oversight committees and the  
29 14 department of administrative services on or before July 1,  
29 15 2005, defining all types of land management records,  
29 16 identifying each county or state office that holds such  
29 17 records, and specifying the fees associated with each of the  
29 18 different types of records.

Requires the Iowa State Association of Counties to provide information to the Oversight Committees and the Department of Administrative Services on or before July 1, 2005, identifying all types of land management records, each county or State official that holds the records, and the fees associated with each of the different types of records.

29 19 5. The fees collected, including those previously  
29 20 collected and deposited locally, pursuant to section 331.605C,  
29 21 shall be transferred to the treasurer of state for deposit  
29 22 into the local government electronic transaction fund.

Requires revenue resulting from the \$5.00 and \$1.00 fees collected for the purpose of developing and implementing the County Land Record Information System, to be transferred to the Treasurer of State for deposit into the Local Government Electronic Transaction Fund.

29 23 Sec. 56. EFFECTIVE DATE. This division of this Act, being  
29 24 deemed of immediate importance, takes effect upon enactment.

Specifies that this Division is effective on enactment.

29 25 DIVISION VIII  
29 26 CORRECTIVE PROVISIONS

29 27 Sec. 57. Section 8A.502, subsection 5, paragraph c, Code  
29 28 2005, is amended to read as follows:  
29 29 c. The Iowa dairy industry commission as established in

Sections 57 through 85 of this Bill are technical corrective provisions. No specific explanation has been provided for these Sections, nor are these Sections included in the Code cites listing at the beginning of the NOBA.

29 30 chapter 179, the Iowa beef cattle producers association as  
29 31 established in chapter 181, the Iowa pork producers council as  
29 32 established in chapter 183A, the Iowa egg council as  
29 33 established in chapter 184, the Iowa turkey marketing council  
29 34 as established in chapter 184A, the Iowa soybean ~~promotion-~~  
29 35 ~~board~~ association as ~~established~~ provided in chapter 185, and  
30 1 the Iowa corn promotion board as established in chapter 185C.

30 2 Sec. 58. Section 8A.502, subsection 10, Code 2005, is  
30 3 amended to read as follows:  
30 4 10. Entities representing agricultural producers. To  
30 5 control the financial operations of the Iowa dairy industry  
30 6 commission as provided in chapter 179, the Iowa beef cattle  
30 7 producers association as provided in chapter 181, the Iowa  
30 8 pork producers council as provided in chapter 183A, the Iowa  
30 9 egg council as provided in chapter 184, the Iowa turkey  
30 10 marketing council as provided in chapter 184A, the Iowa  
30 11 soybean ~~promotion board~~ association as provided in chapter  
30 12 185, and the Iowa corn promotion board as provided in chapter  
30 13 185C.

30 14 Sec. 59. Section 10A.104, subsections 12 and 13, Code  
30 15 2005, are amended by striking the subsections.

30 16 Sec. 60. Section 12D.9, subsection 2, Code 2005, is  
30 17 amended to read as follows:  
30 18 2. State income tax treatment of the Iowa educational  
30 19 savings plan trust shall be as provided in section 422.7,  
30 20 subsections 32, and 33, ~~and 34, and section 422.35, subsection-~~  
30 21 ~~44~~.

30 22 Sec. 61. Section 15.104, subsection 4, unnumbered  
30 23 paragraph 1, Code 2005, as amended by 2005 Iowa Acts, Senate  
30 24 File 205, section 5, is amended to read as follows:

30 25 Review and approve or disapprove a life science enterprise  
30 26 plan or amendments to that plan as provided in chapter 10C as  
30 27 ~~that chapter exists on or before June 30, 2005,~~ and according  
30 28 to rules adopted by the board. A life science plan shall make  
30 29 a reasonable effort to provide for participation by persons  
30 30 who are individuals or family farm entities actively engaged  
30 31 in farming as defined in section 10.1. The persons may  
30 32 participate in the life science enterprise by holding an  
30 33 equity position in the life science enterprise or providing  
30 34 goods or service to the enterprise under contract. The plan  
30 35 must be filed with the board not later than June 30, 2005.  
31 1 The life science enterprise may file an amendment to a plan at  
31 2 any time. A life science enterprise is not eligible to file a  
31 3 plan, unless the life science enterprise files a notice with  
31 4 the board. The notice shall be a simple statement indicating  
31 5 that the life science enterprise may file a plan as provided  
31 6 in this section. The notice must be filed with the board not  
31 7 later than June 1, 2005. The notice, plan, or amendments  
31 8 shall be submitted by a life science enterprise as provided by  
31 9 the board. The board shall consult with the department of  
31 10 agriculture and land stewardship during its review of a life  
31 11 science plan or amendments to that plan. The plan shall  
31 12 include information regarding the life science enterprise as  
31 13 required by rules adopted by the board, including but not  
31 14 limited to all of the following:

31 15 Sec. 62. Section 15H.3, subsection 5, if enacted by 2005  
31 16 Iowa Acts, House File 478, section 3, is amended to read as  
31 17 follows:

31 18 5. Members shall serve staggered terms of three years  
31 19 ~~beginning and ending as provided by section 69.19 July 1.~~  
31 20 Members of the commission shall serve no more than two three-  
31 21 year terms. Any vacancy shall be filled in the same manner as  
31 22 the original appointment.

31 23 Sec. 63. Section 97.51, subsections 4 and 6, Code 2005,

31 24 are amended to read as follows:

31 25 4. Any public employee subject to coverage under the  
31 26 provisions of chapter 97, Code 1950, as amended, in public  
31 27 service as of June 30, 1953, and who has not applied for and  
31 28 qualified for benefit payments under the provisions of chapter  
31 29 97, Code 1950, as amended, who had contributed to the Iowa  
31 30 old-age and survivors' insurance fund prior to the repeal of  
31 31 ~~said~~ chapter 97, Code 1950, as amended, shall be entitled to a  
31 32 refund of contributions paid into the Iowa old-age and  
31 33 survivors' insurance fund by such employee without interest,  
31 34 but there shall be deducted from the amount of any such refund  
31 35 any amount which has been or will be paid in the employee's  
32 1 behalf as the employee's contribution as an employee to obtain  
32 2 retroactive federal social security coverage. Any former  
32 3 public employee not in public service as of June 30, 1953, who  
32 4 has contributed to the Iowa old-age and survivors' insurance  
32 5 fund, the employee's beneficiaries or estate, when no benefit  
32 6 has been paid under chapter 97, Code 1950, based upon such  
32 7 employee's prior record, shall be entitled to a refund of  
32 8 seventy-five percent of all contributions paid by the employee  
32 9 into said fund, without interest. The department shall  
32 10 prescribe rules in regard to the granting of such refunds. In  
32 11 the event of such refund any individual receiving the same  
32 12 shall be deemed to have waived any and all rights in behalf of  
32 13 the individual or any beneficiary or the individual's estate  
32 14 to further benefits under the provisions of chapter 97, Code  
32 15 1950, as amended.

32 16 6. In the payment of any benefits in the future, as a  
32 17 result of the provisions of chapter 97, Code 1950, as amended,  
32 18 the department shall follow the same procedure as provided by  
32 19 ~~said~~ chapter 97, Code 1950, as amended, as though said chapter  
32 20 had not been repealed, except the requirements of ~~section-~~  
32 21 ~~97.21~~, subsection 4, paragraph "a", and subsection 5 of  
32 22 section 97.21, subsection 5 Code 1950, shall not be  
32 23 applicable, but no primary benefit, based upon employment  
32 24 prior to June 30, 1953, shall be paid to any individual for  
32 25 any month during which the individual receives compensation

32 26 for work in any position which would have been subject to  
32 27 coverage under the provisions of ~~said~~ chapter 97, Code 1950,  
32 28 as amended, if the individual's earnings for such month exceed  
32 29 one hundred dollars, nor shall any benefit be paid to a wife  
32 30 or dependent of such employee for such months, except that  
32 31 after a retired member reaches the age of seventy-two years,  
32 32 the member, the member's wife and dependents shall be entitled  
32 33 to the benefits of this chapter regardless of the amount  
32 34 earned.

32 35     Sec. 64. Section 97B.1A, subsection 8, paragraph b,  
33 1 subparagraph (5), Code 2005, is amended to read as follows:  
33 2 (5) Employees of the Iowa dairy industry commission  
33 3 established under chapter 179, the Iowa beef cattle producers  
33 4 association established under chapter 181, the Iowa pork  
33 5 producers council established under chapter 183A, the Iowa  
33 6 turkey marketing council established under chapter 184A, the  
33 7 Iowa soybean ~~promotion board established under association as~~  
33 8 provided in chapter 185, the Iowa corn promotion board  
33 9 established under chapter 185C, and the Iowa egg council  
33 10 established under chapter 184.

33 11     Sec. 65. Section 99D.13, subsection 2, Code 2005, is  
33 12 amended to read as follows:  
33 13     2. Winnings from each racetrack forfeited under subsection  
33 14 1 shall escheat to the state and to the extent appropriated by  
33 15 the general assembly shall be used by the department of  
33 16 agriculture and land stewardship to administer section 99D.22.  
33 17 The remainder shall be paid over to the commission to pay all  
33 18 or part of the cost of drug testing at the tracks. To the  
33 19 extent the remainder paid over to the commission, less the  
33 20 cost of drug testing, is from unclaimed winnings from harness  
33 21 ~~racetrack meets~~ race meetings, the remainder shall be used as  
33 22 provided in subsection 3. To the extent the remainder paid to  
33 23 the commission, less the cost of drug testing, is from

33 24 unclaimed winnings from licensed dog tracks, the commission  
33 25 shall remit annually five thousand dollars, or an equal  
33 26 portion of that amount, to each licensed dog track to carry  
33 27 out the racing dog adoption program pursuant to section  
33 28 99D.27. To the extent the remainder paid over to the  
33 29 commission, less the cost of drug testing, is from unclaimed  
33 30 winnings from tracks licensed for dog or horse races, the  
33 31 commission, on an annual basis, shall remit one-third of the  
33 32 amount to the treasurer of the city in which the racetrack is  
33 33 located, one-third of the amount to the treasurer of the  
33 34 county in which the racetrack is located, and one-third of the  
33 35 amount to the racetrack from which it was forfeited. If the  
34 1 racetrack is not located in a city, then one-third shall be  
34 2 deposited as provided in chapter 556. The amount received by  
34 3 the racetrack under this subsection shall be used only for  
34 4 retiring the debt of the racetrack facilities and for capital  
34 5 improvements to the racetrack facilities.

34 6 Sec. 66. Section 99D.13, subsection 3, unnumbered  
34 7 paragraph 1, Code 2005, is amended to read as follows:  
34 8 One hundred twenty thousand dollars of winnings from wagers  
34 9 placed at harness ~~racing meets~~ race meetings forfeited under  
34 10 subsection 1 in a calendar year that escheat to the state and  
34 11 are paid over to the commission are appropriated to the racing  
34 12 commission for the fiscal year beginning in that calendar year  
34 13 to be used as follows:

34 14 Sec. 67. Section 126.23A, subsection 1, paragraph a,  
34 15 subparagraph (1), as enacted by 2005 Iowa Acts, Senate File  
34 16 169, section 3, is amended to read as follows:  
34 17 (1) Sell a product ~~that contains more than three hundred~~  
34 18 ~~sixty milligrams of pseudoephedrine~~ in violation of section  
34 19 124.212, subsection 4.

34 20 Sec. 68. Section 126.23A, subsection 1, paragraph b,

34 21 subparagraph (3), as enacted by 2005 Iowa Acts, Senate File  
34 22 169, section 3, is amended to read as follows:  
34 23 (3) Require the purchaser to ~~legibly~~ sign a logbook and to  
34 24 also require the purchaser to legibly print the purchaser's  
34 25 name and address in the logbook.

34 26 Sec. 69. Section 126.23A, subsection 3, as enacted by 2005  
34 27 Iowa Acts, Senate File 169, section 3, is amended to read as  
34 28 follows:  
34 29 3. A purchaser shall ~~legibly~~ sign the logbook and also  
34 30 legibly print the purchaser's name and address in the logbook.

34 31 Sec. 70. Section 135.43, subsection 3, paragraph g, as  
34 32 enacted in 2005 Iowa Acts, House File 190, section 2, is  
34 33 amended to read as follows:  
34 34 g. In order to assist ~~another~~ a division of the department  
34 35 in performing the division's duties, if the division does not  
35 1 otherwise have access to the information, share information  
35 2 possessed by the review team. The division receiving the  
35 3 information shall maintain the confidentiality of the  
35 4 information in accordance with this section. Unauthorized  
35 5 release or disclosure of the information received is subject  
35 6 to penalty as provided in this section.

35 7 Sec. 71. Section 147.105, subsection 2, as enacted by 2005  
35 8 Iowa Acts, House File 418, section 1, is amended to read as  
35 9 follows:  
35 10 2. Except as provided under subsections 5 and 6, a  
35 11 clinical laboratory or a physician providing anatomic  
35 12 pathology services to patients in this state shall not,  
35 13 directly or indirectly, charge, bill, or otherwise solicit  
35 14 payment for such services unless the services were personally  
35 15 rendered by ~~a~~ the clinical laboratory or the physician or  
35 16 under the direct supervision of ~~a~~ the clinical laboratory or  
35 17 the physician in accordance with section 353 of the federal



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35 18 Public Health Service Act, 42 U.S.C. § 263a.

35 19 Sec. 72. Section 231C.2, subsection 9, as amended by 2005  
35 20 Iowa Acts, House File 585, section 3, is amended to read as  
35 21 follows:

35 22 9. "Personal care" means assistance with the essential  
35 23 activities of daily living, which may include but are not  
35 24 limited to transferring, bathing, personal hygiene, dressing,  
35 25 grooming, and housekeeping, that are essential to the health  
35 26 and welfare of the tenant.

35 27 Sec. 73. Section 249.1, subsection 4, Code 2005, is  
35 28 amended to read as follows:

35 29 4. "Previous categorical assistance programs" means the  
35 30 aid to the blind program authorized by chapter 241, the aid to  
35 31 the disabled program authorized by chapter 241A and the old-  
35 32 age assistance program authorized by chapter 249 of the Code  
35 33 of 1973.

35 34 Sec. 74. Section 249.10, Code 2005, is amended to read as  
35 35 follows:

36 1 249.10 PRIOR LIENS, CLAIMS AND ASSIGNMENTS.  
36 2 Any lien or claim against the estate of a decedent existing  
36 3 on January 1, 1974, which lien was perfected or which claim  
36 4 was filed under the provisions of section 249.19, 249.20, or  
36 5 249.21 as they appeared in the Code of 1973, and prior Codes,  
36 6 and which liens or claims have not been satisfied, are void.  
36 7 Any assignment of personal property which was made under the  
36 8 provisions of chapter 249 as it appeared in the Code of 1973,  
36 9 and prior Codes, is void. The director may in furtherance of  
36 10 this section release any lien or claim created or existing  
36 11 under that chapter. Each release made pursuant to this  
36 12 section shall be executed and acknowledged by the director or  
36 13 the director's authorized designee, and when recorded shall be  
36 14 conclusive in favor of any third person dealing with or

36 15 concerning the property affected by the release in reliance  
36 16 upon such record.

36 17 Sec. 75. Section 257.28, Code 2005, is amended to read as  
36 18 follows:

36 19 257.28 ENRICHMENT LEVY.

36 20 If a school district has approved the use of the  
36 21 instructional support program for a budget year, the district  
36 22 shall not also collect moneys under the additional enrichment  
36 23 amount approved by the voters under chapter 442, ~~as it~~  
36 24 ~~appeared in~~ Code 1991, for the budget year.

36 25 Sec. 76. Section 307.12, subsection 5, Code 2005, is  
36 26 amended to read as follows:

36 27 5. Prepare a budget for the department, ~~subject to the~~  
36 28 ~~approval of the commission~~, and prepare reports required by  
36 29 law.

36 30 Sec. 77. Section 321.43, Code 2005, is amended to read as  
36 31 follows:

36 32 321.43 NEW IDENTIFYING NUMBERS.

36 33 The department may assign a distinguishing number to a  
36 34 vehicle when the ~~serial vehicle identification~~ number on the  
36 35 vehicle is destroyed or obliterated and issue to the owner a  
37 1 special plate bearing the distinguishing number which shall be  
37 2 affixed to the vehicle in a position to be determined by the  
37 3 director. The vehicle shall be registered and titled under  
37 4 the distinguishing number in lieu of the former ~~serial vehicle~~  
37 5 identification number.

37 6 Sec. 78. Section 321.65, Code 2005, is amended to read as  
37 7 follows:

37 8 321.65 GARAGE RECORD.

37 9 Every person or corporation operating a public garage shall

37 10 keep for public inspection a record of the registration number  
37 11 and engine ~~or factory~~ serial number or manufacturer's vehicle  
37 12 identification number of every motor vehicle offered for sale  
37 13 or taken in for repairs in said garage.

37 14 Sec. 79. Section 321.90, subsection 2, paragraph b, Code  
37 15 2005, is amended to read as follows:

37 16 b. The application shall set out the name and address of  
37 17 the applicant, and the year, make, model, and ~~serial vehicle~~  
37 18 identification number of the motor vehicle, if ascertainable,  
37 19 together with any other identifying features, and shall  
37 20 contain a concise statement of the facts surrounding the  
37 21 abandonment, or a statement that the title of the motor  
37 22 vehicle is lost or destroyed, or the reasons for the defect of  
37 23 title in the owner. The applicant shall execute an affidavit  
37 24 stating that the facts alleged are true and that no material  
37 25 fact has been withheld. An order for disposal obtained  
37 26 pursuant to section 555B.8, subsection 3, satisfies the  
37 27 application requirements of this paragraph.

37 28 Sec. 80. Section 327B.1, subsection 6, as enacted by 2005  
37 29 Iowa Acts, House File 591, section 10, is amended to read as  
37 30 follows:

37 31 6. A motor carrier ~~owner or driver~~ shall ~~carry~~ keep proper  
37 32 evidence of interstate authority in the motor ~~carrier~~ vehicle  
37 33 being operated by the motor carrier and the motor carrier  
37 34 owner or driver shall make such evidence available to a peace  
37 35 officer upon request.

38 1 Sec. 81. Section 331.606, subsection 3, Code 2005, is  
38 2 amended to read as follows:

38 3 3. The county recorder may give the county sheriff the  
38 4 records filed under this chapter or chapter 695 ~~of prior~~  
38 5 ~~Codes, Code 1977,~~ pertaining to the sale and registration of  
38 6 weapons or may dispose of those records if the sheriff does

38 7 not wish to receive the records.

38 8 Sec. 82. Section 602.1304, subsection 2, paragraph b, Code  
38 9 2005, as amended by 2005 Acts, House File 826, section 3, is  
38 10 amended to read as follows:

38 11 b. For each fiscal year, a judicial collection estimate  
38 12 for that fiscal year shall be equally and proportionally  
38 13 divided into a quarterly amount. The judicial collection  
38 14 estimate shall be calculated by using the state revenue  
38 15 estimating conference estimate made by December 15 pursuant to  
38 16 section 8.22A, subsection 3, of the total amount of fines,  
38 17 fees, civil penalties, costs, surcharges, and other revenues  
38 18 collected by judicial officers and court employees for deposit  
38 19 into the general fund of the state. The revenue estimating  
38 20 conference estimate shall be reduced by the maximum amounts  
38 21 allocated to the Iowa prison infrastructure fund pursuant to  
38 22 section 602.8108A, the court technology and modernization fund  
38 23 pursuant to section 602.8108, subsection 7, the judicial  
38 24 branch pursuant to section 602.8108, subsection 7A, and the  
38 25 road use tax fund pursuant to section 602.8108, subsection 8,  
38 26 ~~and amounts allocated to the department of public safety's~~  
38 27 ~~vehicle depreciation account pursuant to section 602.8108,~~  
38 28 ~~subsection 9,~~ and the remainder shall be the judicial  
38 29 collection estimate. In each quarter of a fiscal year, after  
38 30 revenues collected by judicial officers and court employees  
38 31 equal to that quarterly amount are deposited into the general  
38 32 fund of the state, after the required amount is deposited  
38 33 during the quarter into the Iowa prison infrastructure fund  
38 34 pursuant to section 602.8108A and into the court technology  
38 35 and modernization fund pursuant to section 602.8108,  
39 1 subsection 7, and after the required amount is allocated to  
39 2 the judicial branch pursuant to section 602.8108, subsection  
39 3 7A, ~~and to the department of public safety's vehicle~~  
39 4 ~~depreciation account pursuant to section 602.8108, subsection~~  
39 5 ~~9,~~ the director of the department of administrative services  
39 6 shall deposit the remaining revenues for that quarter into the

39 7 enhanced court collections fund in lieu of the general fund.  
39 8 However, after total deposits into the collections fund for  
39 9 the fiscal year are equal to the maximum deposit amount  
39 10 established for the collections fund, remaining revenues for  
39 11 that fiscal year shall be deposited into the general fund. If  
39 12 the revenue estimating conference agrees to a different  
39 13 estimate at a later meeting which projects a lesser amount of  
39 14 revenue than the initial estimate amount used to calculate the  
39 15 judicial collection estimate, the director of the department  
39 16 of administrative services shall recalculate the judicial  
39 17 collection estimate accordingly. If the revenue estimating  
39 18 conference agrees to a different estimate at a later meeting  
39 19 which projects a greater amount of revenue than the initial  
39 20 estimate amount used to calculate the judicial collection  
39 21 estimate, the director of the department of administrative  
39 22 services shall recalculate the judicial collection estimate  
39 23 accordingly but only to the extent that the greater amount is  
39 24 due to an increase in the fines, fees, civil penalties, costs,  
39 25 surcharges, or other revenues allowed by law to be collected  
39 26 by judicial officers and court employees.

39 27 Sec. 83. Section 602.8108, subsection 2, Code 2005, as  
39 28 amended by 2005 Acts, House File 826, section 5, is amended to  
39 29 read as follows:

39 30 2. Except as otherwise provided, the clerk of the district  
39 31 court shall report and submit to the state court  
39 32 administrator, not later than the fifteenth day of each month,  
39 33 the fines and fees received during the preceding calendar  
39 34 month. Except as provided in subsections 3, 4, 5, 7, 7A, and  
39 35 8, and 9, the state court administrator shall deposit the  
40 1 amounts received with the treasurer of state for deposit in  
40 2 the general fund of the state. The state court administrator  
40 3 shall report to the legislative services agency within thirty  
40 4 days of the beginning of each fiscal quarter the amount  
40 5 received during the previous quarter in the account  
40 6 established under this section.

40 7 Sec. 84. Section 633.10, subsection 5, Code 2005, is  
40 8 amended to read as follows:  
40 9 5. ACTIONS FOR ACCOUNTING.  
40 10 An action for an accounting against a beneficiary of a  
40 11 transfer on death security registration, pursuant to ~~this~~  
40 12 chapter 633D.

40 13 Sec. 85. CONTINGENT EFFECTIVE DATE. The section of this  
40 14 division of this Act amending section 10A.104 is contingent  
40 15 upon the enactment of 2005 Iowa Acts, House File 770.

40 16 EXPLANATION

40 17 This bill makes, reduces, and transfers appropriations,  
40 18 provides for fees, and covers other properly related matters.  
40 19 The bill is organized into divisions.

40 20 MH/MR/DD ALLOWED GROWTH FUNDING. This division  
40 21 appropriates funding for FY 2006-2007 for distribution to  
40 22 counties for allowed growth in mental health, mental  
40 23 retardation, and developmental disabilities services  
40 24 expenditures.

40 25 STANDING APPROPRIATIONS. This division limits the standing  
40 26 unlimited appropriations for FY 2005-2006 made for the  
40 27 following purposes: instructional support state aid, at-risk  
40 28 children programs, payment of nonpublic school transportation,  
40 29 the educational excellence program to improve teacher  
40 30 salaries, state share of peace officers' retirement benefits,  
40 31 and payment of livestock production tax credit refunds.

40 32 In addition, for FY 2005-2006, the following property tax  
40 33 credits are funded from the property tax credit fund created  
40 34 in the division instead of the general fund of the state:  
40 35 homestead, agricultural land and family farm, military  
41 1 service, and elderly and disabled tax credit and  
41 2 reimbursement.

41 3 Code section 257.35, relating to state aid to schools  
41 4 provided for area education agencies, is amended to continue a

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41 5 reduction in that funding of \$11,798,703.  
41 6 The appropriation under Code section 8.57(1) of up to 1  
41 7 percent of the adjusted revenue estimate for FY 2005-2006 from  
41 8 the state general fund to the cash reserve fund shall not be  
41 9 made for FY 2005-2006.

41 10 OTHER APPROPRIATIONS. This division provides for,  
41 11 increases, or decreases appropriations made in the Code or  
41 12 during the 2005 Legislative Session.

41 13 An appropriation of \$100,000 is made to the department of  
41 14 human services to provide grants during FY 2005-2006 to  
41 15 families with children that have phenylketonuria.

41 16 Appropriations made to the department of economic  
41 17 development in 2005 Iowa Acts, House File 809, if enacted, are  
41 18 amended to reduce the appropriation for general administration  
41 19 and to increase the allocation for the world food prize by the  
41 20 same amount.

41 21 Appropriations and full-time equivalent employee  
41 22 authorizations made in 2005 Iowa Acts, House File 810, for the  
41 23 banking and professional licensing and regulation divisions of  
41 24 the department of commerce, are increased, contingent upon the  
41 25 passage of two other bills.

41 26 The amount appropriated from the senior living trust fund  
41 27 to supplement the appropriation for the medical assistance  
41 28 (Medicaid) program for FY 2005-2006 in House File 825, if  
41 29 enacted, is increased by approximately \$3 million. The  
41 30 language providing for the inflation adjustment in nursing  
41 31 facility reimbursement is revised.

41 32 2001 Iowa Acts, chapter 174, section 1, subsection 2, which  
41 33 appropriates moneys from the state general fund to Iowa's  
41 34 health account of the tobacco settlement trust, is amended to  
41 35 repeal the \$29.562 million appropriation for FY 2005-2006.

42 1 Code section 8.55, relating to the Iowa economic emergency  
42 2 fund, is amended to strike requirements for a portion of the  
42 3 moneys in excess of the fund's maximum balance to be  
42 4 transferred to the endowment for Iowa's health account of the  
42 5 tobacco settlement trust fund.

42 6 Code section 256D.5 is amended to extend the \$29.25 million

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42 7 appropriation for the early intervention block grant program  
42 8 through FY 2005-2006.  
42 9 Code section 292.4, providing an annual standing limited  
42 10 contingent appropriation to the secure an advanced vision for  
42 11 education fund through FY 2013-2014, is repealed. The  
42 12 appropriation is contingent upon the amount of sales and use  
42 13 tax receipts credited to the general fund of the state during  
42 14 a fiscal year exceeding by 2 percent or more the total sales  
42 15 and use tax receipts credited to the general fund of the state  
42 16 during the previous fiscal year. The repeal is effective upon  
42 17 enactment and retroactively applicable to July 1, 2004.  
42 18 MISCELLANEOUS STATUTORY CHANGES. This division provides  
42 19 miscellaneous statutory changes.  
42 20 Code sections 12B.10, 12C.22, and 12C.23A, relating to the  
42 21 investment of public funds by the treasurer of state, state  
42 22 agencies, and public subdivisions, are amended by permitting  
42 23 public funds that are deposited in a depository and are not  
42 24 covered by federal deposit insurance to be invested in  
42 25 certificates of deposit issued by one or more federally  
42 26 insured banks or savings associations, whether or not located  
42 27 in this state. The amendments require that the principal and  
42 28 accrued interest of each such certificate of deposit be  
42 29 covered by federal deposit insurance and that the depository  
42 30 act as custodian of the certificates of deposit; that on the  
42 31 day the certificates of deposit are issued to the public funds  
42 32 depositor, the depository must receive in deposits amounts  
42 33 eligible for federal deposit insurance from, and must issue  
42 34 certificates of deposit to, customers of other financial  
42 35 institutions, that are equal to or greater than the amount of  
43 1 public funds initially deposited by the public funds depositor  
43 2 at the depository; and that certificates of deposit for public  
43 3 funds issued by financial institutions other than the  
43 4 depository, or one or more orders for the next business day  
43 5 settlement and issuance of such certificates of deposit that  
43 6 cover the uninsured portion of the public funds initially  
43 7 deposited by the public funds depositor, shall not be  
43 8 considered public funds deposits in the depository for



43 9 purposes of calculating the amount of collateral the  
43 10 depository is required to pledge under Code section 12C.22.  
43 11 The amendments further provide that when calculating  
43 12 uninsured public funds to determine the amount of an  
43 13 assessment pursuant to Code section 12C.23A, a bank shall  
43 14 include all deposits from customers of other financial  
43 15 institutions as authorized under Code section 12B.10, new  
43 16 subsection 7.  
43 17 Code section 99F.6, subsection 4, concerning the definition  
43 18 of "net receipts" for purposes of determining purses for horse  
43 19 racing, is amended. The change provides that "net receipts"  
43 20 means the annual adjusted gross receipts from gambling games  
43 21 less the annual amount of money pledged for bonded  
43 22 indebtedness for a vision Iowa project. Current law does not  
43 23 provide that the annual amount pledged for the vision Iowa  
43 24 project is limited to the amount for bonded indebtedness.  
43 25 Code section 124.212, as amended by 2005 Iowa Acts, Senate  
43 26 File 169, relating to the regulation of precursors to  
43 27 amphetamine and methamphetamine, is amended to require a  
43 28 purchaser of a schedule V controlled substance containing  
43 29 pseudoephedrine from a pharmacy to present a government-issued  
43 30 photo identification card at the time of purchase. Senate  
43 31 File 169 contains a similar identification card requirement  
43 32 for over-the-counter sales of pseudoephedrine products of 360  
43 33 milligrams or less in liquid, liquid capsule, or liquid-filled  
43 34 gel capsule form from a nonpharmacy retailer.  
43 35 Code section 142A.4, relating to the duties of the  
44 1 commission on tobacco use prevention and control, is amended  
44 2 to require the commission to approve the contents of any  
44 3 materials distributed by the youth program component of the  
44 4 tobacco use prevention and control initiative. The contents  
44 5 must be approved prior to distribution.  
44 6 Code section 257.14 is amended to strike a provision which  
44 7 permits a school district to qualify for a certain budget  
44 8 guarantee phaseout only if the school district elected to  
44 9 receive a 90 percent budget guarantee adjustment for the  
44 10 school budget year beginning July 1, 2004. Striking the

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44 11 provision allows a school district to elect the budget  
44 12 guarantee adjustment and phaseout for a later school budget  
44 13 year or years.

44 14 Code section 403A.10, relating to tax exemptions and  
44 15 payments in lieu of taxes for municipal housing projects,  
44 16 provides that municipal housing project property located in a  
44 17 city of at least 110,000 residents with a public housing  
44 18 authority that does not own or manage housing stock for the  
44 19 purpose of low-rent housing is also deemed to be public  
44 20 property and subject to the same tax exemptions as other  
44 21 municipal housing project property under Code chapter 403A.

44 22 Code section 423E.5 is amended to permit the private sale  
44 23 of bonds in anticipation of revenues from the sales and  
44 24 services tax for school infrastructure purposes similar to  
44 25 that available for the regular city and county sales and  
44 26 services tax revenue bonds.

44 27 Code section 456A.37 is amended to provide that the natural  
44 28 resource commission shall define additional species as  
44 29 "aquatic invasive species" by rule without subsequent approval  
44 30 by the general assembly.

44 31 Code section 543B.34, subsection 9, is amended by deleting  
44 32 from a list of practices which can subject a real estate  
44 33 broker or salesperson to an investigation by the real estate  
44 34 commission, possible sanctions, and penalties for the paying  
44 35 of a commission or other valuable consideration for performing  
45 1 any acts specified in Code chapter 543B to a licensee, knowing  
45 2 that the licensee will pay a portion of or all of such  
45 3 commission or consideration to a person or party who is not  
45 4 licensed pursuant to the chapter.

45 5 Code section 543B.60A, currently entitled "restrictions on  
45 6 payment of commission to others", is changed to "prohibited  
45 7 practices". The new Code section 543B.60A deletes previous  
45 8 restrictions that provided that a licensee shall not require  
45 9 that a person, party, client, or customer negotiate a listing  
45 10 or purchase agreement or contract of real estate through a  
45 11 particular broker or group of brokers, salesperson or group of  
45 12 salespersons, or agent or group of agents, and that a licensee

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45 13 shall not pay a commission, or portion of a commission, or  
45 14 other valuable consideration to such individuals. The new  
45 15 provision also deletes a provision that violations of the  
45 16 section could result in an investigation by the real estate  
45 17 commission, or license revocation or suspension pursuant to  
45 18 Code section 543B.34, if the individual was found guilty  
45 19 pursuant to subsection 4 of that section, relating to acting  
45 20 for more than one party in a transaction without the knowledge  
45 21 of all parties for whom the licensee acts. The new provision  
45 22 provides instead that violations will be subject to the more  
45 23 general revocation or suspension provisions of Code section  
45 24 543B.29.

45 25 The new Code section retains restrictions against licensee  
45 26 requests for a referral fee after a bona fide offer to  
45 27 purchase is accepted, and against licensee requests for a  
45 28 referral fee after a bona fide listing agreement has been  
45 29 signed. Additionally, the new Code section adds new  
45 30 prohibited practices relating to licensees not offering,  
45 31 promoting, performing, providing, or otherwise participating  
45 32 in a marketing plan requiring a consumer to receive brokerage  
45 33 services, including referral services, from two or more  
45 34 licensees in a single real estate transaction, as a required  
45 35 condition for the consumer to receive brokerage services or a  
46 1 rebate, prize, or other inducement. The new Code section  
46 2 provides that a "consumer" includes parties or prospective  
46 3 parties to a real estate transaction, clients or prospective  
46 4 clients of a licensee, or customers or prospective customers  
46 5 of a licensee, and that the section does not address  
46 6 relationships between a broker and the broker associates or  
46 7 salespersons licensed under, employed by, or otherwise  
46 8 associated with the broker in a real estate brokerage agency.  
46 9 The new Code section provides that the purpose of the section  
46 10 is to prohibit licensee practices that interfere with  
46 11 contractual arrangements, place improper restrictions on  
46 12 consumer choice, compromise a licensee's fiduciary  
46 13 obligations, and create conflicts of interest.

46 14 Code sections 579A.2 and 579B.4, relating to agricultural

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46 15 production liens, are amended to remove an exemption from the  
46 16 applicability of Code section 554.9515. Code section 554.9515  
46 17 is part of the uniform commercial code and provides for the  
46 18 duration and effectiveness of a financing statement for a lien  
46 19 and the effect of an elapsed financing statement.

46 20 JUSTICE SYSTEM AND JUDICIAL BRANCH. This division makes  
46 21 and increases appropriations for the justice system and the  
46 22 judicial branch and contains related provisions.

46 23 The division urges the supreme court to develop and  
46 24 prescribe a rule which recognizes the tribal court system and  
46 25 enforces tribal court orders, judgments, and decrees.

46 26 New Code section 80.43 makes annual standing limited  
46 27 appropriations from the general fund of the state to the  
46 28 account maintained in the depreciation fund for vehicles used  
46 29 by the Iowa state patrol for the period beginning July 1,  
46 30 2005, and ending June 30, 2009. The appropriations are to be  
46 31 used as directed by the department of public safety for  
46 32 purchase of Iowa state patrol vehicles. Interest or earnings  
46 33 on the moneys appropriated are to be credited to the account  
46 34 and the moneys do not revert at the close of a fiscal year.

46 35 Code section 602.6401 is amended to increase the authorized  
47 1 number of magistrates from 191 to 206.

47 2 New Code section 602.8102A provides that if the clerk of  
47 3 court sends a mailing or notice and the mailing or notice is  
47 4 returned by the postal service, the clerk of court is not  
47 5 required to send a repeat or subsequent notice unless the  
47 6 clerk receives an updated mailing address.

47 7 The amendment to Code section 602.8105 relates to the  
47 8 collection of fees by the clerk of the district court. The  
47 9 bill establishes a \$25 fee for filing a praecipe to issue  
47 10 execution under Code chapter 626 (enforcement of a judgment);  
47 11 a \$50 fee for filing a praecipe to issue execution under Code  
47 12 chapter 654 (foreclosure of real estate mortgages); and a \$50  
47 13 fee for filing a confession of judgment if the judgment is  
47 14 \$5,000 or less and a \$100 fee if the amount of the judgment  
47 15 exceeds \$5,000 under Code chapter 676 (judgment by  
47 16 confession). A "praecipe" is an order commanding the debtor

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47 17 to do the thing required by the order. A "judgment by  
47 18 confession" is an act by the debtor permitting a judgment to  
47 19 be entered against the debtor.

47 20 Code section 901.4, relating to presentence investigation  
47 21 reports, is amended to require the court to send the report to  
47 22 the attorneys by ordinary or electronic mail in lieu of  
47 23 serving the report.

47 24 The appropriation made to the judicial branch in 2005 Iowa  
47 25 Acts, House File 807, if enacted, is increased.

47 26 The appropriation made to the department of justice for  
47 27 legal services for persons in poverty grants in 2005 Iowa  
47 28 Acts, House File 811, if enacted, is increased from a zero  
47 29 amount.

47 30 The appropriation made to the department of public safety  
47 31 for the criminalistics laboratory fund in 2005 Iowa Acts,  
47 32 House File 811, if enacted, is increased from a zero amount.

47 33 EDUCATION. This division amends numerous Code provisions  
47 34 relating to the duties and responsibilities of school  
47 35 districts, area education agencies, and the department of  
48 1 education by expanding school district audit requirements;  
48 2 requiring the department to submit an achievement gap report;  
48 3 allowing school districts to establish nonprofit entities or  
48 4 organizations; providing for changes to open enrollment  
48 5 requirements, deadlines, and authorizations; and revising  
48 6 requirements for prior authorization and a certificate of need  
48 7 for local option sales and services tax for school  
48 8 infrastructure fund purposes, and including a retroactive  
48 9 applicability provision.

48 10 The division requires that an examination of school offices  
48 11 shall include the revenues and expenditures of any organized  
48 12 nonprofit school organization that exists for the sole benefit  
48 13 of the school district.

48 14 The department is directed to prepare and submit to the  
48 15 chairpersons and ranking members of the senate and house  
48 16 education committees a report on the state's progress toward  
48 17 closing the achievement gap.

48 18 The division allows school boards to establish a nonprofit

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48 19 entity or organization for the sole benefit of the school  
48 20 district after holding a public hearing on the proposal. Such  
48 21 an entity or organization shall be considered a government  
48 22 body and its records public records subject to Code chapter  
48 23 22. The entity or organization must reimburse the school  
48 24 district for expenditures made by the district on its behalf.  
48 25 The school district must annually report to the department of  
48 26 education and the local community the administrative  
48 27 expenditures, revenues, and activities of the entity or  
48 28 organization. The department must include the revenues in its  
48 29 annual condition of education report. This provision applies  
48 30 to entities or organizations established before, on, or after  
48 31 July 1, 2005.

48 32 The division moves the application deadline for open  
48 33 enrollment from January 1 to March 1 of the preceding school  
48 34 year for students entering grades 1 through 12, and to  
48 35 September 1 of the current school year for students entering  
49 1 kindergarten. The division expands the exception that allows  
49 2 parents to miss the deadline, by allowing "good cause" to  
49 3 include a similar set of circumstances consistent with the  
49 4 definition of "good cause". The division allows the board of  
49 5 directors of a receiving district to grant a superintendent  
49 6 the authority to approve applications.

49 7 Revenues collected under the local sales and services tax  
49 8 for school infrastructure are deposited in the secure an  
49 9 advanced vision for education fund for school infrastructure  
49 10 purposes or property tax relief. The Code requires that a  
49 11 school district receive prior authorization and a certificate  
49 12 of need from the department of education before expending the  
49 13 supplemental school infrastructure amount received from the  
49 14 secure an advanced vision for education fund for new  
49 15 construction or for payments for bonds issued for new  
49 16 construction against the amount. Under the division, only a  
49 17 school district with a certified enrollment of fewer than 250  
49 18 pupils in the entire school district, or fewer than 100 high  
49 19 school pupils, need meet these requirements.

49 20 LAND RECORD INFORMATION SYSTEM. This division relates to

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49 21 elected county officers' associations and the county land  
49 22 record information system (CLRIS) project.

49 23 The division requires that funds held by an association of  
49 24 elected county officers to implement a state-authorized  
49 25 program are subject to audit and such funds received or held  
49 26 on July 1, 2005, shall be deposited with the treasurer of  
49 27 state.

49 28 The division requires that the department of administrative  
49 29 services facilitate dialogue to integrate the CLRIS project  
49 30 with electronic government internet applications of county  
49 31 treasurers, county recorders, county auditors, and county  
49 32 assessors. The department shall file an integration plan with  
49 33 the general assembly on or before November 1, 2005. The plan  
49 34 shall include integration concepts of the county treasurers,  
49 35 county recorders, county auditors, and county assessors.

50 1 The division also requires that the board of supervisors of  
50 2 each county, on behalf of each county recorder, execute a Code  
50 3 chapter 28E agreement with the Iowa county recorders  
50 4 association for the implementation of CLRIS. Such agreement  
50 5 shall require the Iowa county recorders association to execute  
50 6 contracts necessary for implementation of CLRIS. The  
50 7 association is required to file a long-range business plan  
50 8 with the general assembly by November 1, 2005.

50 9 The division requires that the auditor of state conduct an  
50 10 audit of the fees collected and expended for the CLRIS  
50 11 project. The results of the audit shall be filed with the  
50 12 general assembly by November 1, 2005.

50 13 The cost of the audit, not to exceed \$5,000, shall be paid  
50 14 from the local government electronic transaction fund. The  
50 15 county recorders shall collect only statutorily authorized  
50 16 fees for land records management. The division prohibits  
50 17 county recorders from collecting other electronic land  
50 18 management fees until authorized by the general assembly.

50 19 The division provides that the \$1 fee collected pursuant to  
50 20 Code section 331.605C, subsection 2, is for the purpose of  
50 21 paying the ongoing costs of integrating and maintaining CLRIS.

50 22 The division requires the Iowa state association of

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50 23 counties to provide information on land management records to  
50 24 the government oversight committees and the department of  
50 25 administrative services on or before July 1, 2005.  
50 26 The division requires that the information technology  
50 27 enterprise in the department of administrative services  
50 28 commence a review and an assessment of the implementation of  
50 29 CLGIS and a data security audit. The enterprise shall be paid  
50 30 for the costs of the assessment and audit. On or before  
50 31 December 1, 2005, the enterprise shall provide updates on the  
50 32 assessment and audit to the government oversight committees.  
50 33 The enterprise shall provide a final report by December 30,  
50 34 2005.  
50 35 The division takes effect upon enactment.

51 1 CORRECTIVE PROVISIONS. This division contains corrective  
51 2 provisions of a nonsubstantive nature relating to legislation  
51 3 enacted during the 2005 Legislative Session.  
51 4 2005 Iowa Acts, House File 700, changed the name of the  
51 5 Iowa soybean promotion board to the Iowa soybean association.  
51 6 This division makes conforming changes in several Code  
51 7 provisions.  
51 8 The division also amends Code section 15.104, amended in  
51 9 2005 Iowa Acts, Senate File 205, referring to Code chapter  
51 10 10C, relating to life science enterprises. The division  
51 11 strikes language to conform with similar stricken language in  
51 12 other provisions in Senate File 205.  
51 13 Section 10A.104 is amended to strike two subsections  
51 14 providing for the regulation of hotels, food establishments,  
51 15 food processing plants, home food establishments, and egg  
51 16 handlers by the department of inspections and appeals.  
51 17 Regulation of those entities was transferred to the Iowa  
51 18 department of public health in 2005 Iowa Acts, House File 770.  
51 19 Code section 12D.9 is amended to delete references to Code  
51 20 section 422.7, subsection 34, and Code section 422.35,  
51 21 subsection 14, which were stricken in the substantive Code  
51 22 editor's bill in 2005 Iowa Acts, House File 227. Those  
51 23 subsections had referred to contributions to the endowment  
51 24 fund. That fund was eliminated from the Iowa educational



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51 25 savings plan trust program by 2004 Iowa Acts, chapter 1079.  
51 26 Code section 15H.3, newly enacted by 2005 Iowa Acts, House  
51 27 File 478, is amended by correcting the beginning date of the  
51 28 terms of members of the Iowa commission on volunteer service.  
51 29 The terms should begin July 1, continuing current practice,  
51 30 rather than May 1.  
51 31 Code sections 97.51, 249.1, 249.10, 257.28, and 331.606 are  
51 32 amended to correctly refer to certain historical editions of  
51 33 the Code of Iowa in a manner that the general assembly's  
51 34 computer programs can accurately read and process. Similar  
51 35 corrections to historical editions of the Code of Iowa were  
52 1 made in the nonsubstantive Code editor's bill in 2005 Iowa  
52 2 Acts, Senate File 113.  
52 3 Code section 99D.13 is amended to correct the remaining  
52 4 references in the pari-mutuel wagering chapter to race  
52 5 meetings rather than to race meets. Similar corrections were  
52 6 made in the nonsubstantive Code editor's bill in 2005 Iowa  
52 7 Acts, Senate File 113.  
52 8 Code section 126.23A, as enacted by 2005 Iowa Acts, Senate  
52 9 File 169, relating to the regulation of precursors to  
52 10 amphetamine and methamphetamine, is amended to require a  
52 11 purchaser to legibly print rather than legibly sign the  
52 12 purchaser's name in the logbook kept by retailers and  
52 13 pharmacies selling such products of 360 milligrams or less in  
52 14 liquid, liquid capsule, or liquid-filled gel capsule form  
52 15 over-the-counter. The amendment also deletes a reference to a  
52 16 prohibited sale of such precursor products that contain more  
52 17 than 360 milligrams of pseudoephedrine. The reference to the  
52 18 number of milligrams is incorrect since prohibited over-the-  
52 19 counter sales of such products in the bill also includes all  
52 20 solid forms of such products of any number of milligrams.  
52 21 Code section 135.43 is amended to correctly refer to a  
52 22 division of the department of public health as receiving  
52 23 assistance from the Iowa child death review team and not from  
52 24 another division of the department.  
52 25 Code section 147.105 is amended to replace the indefinite  
52 26 article "a" with the definite article "the" when referring to

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52 27 the physician who can bill for anatomic pathology services  
52 28 personally rendered by or under the direct supervision of the  
52 29 physician. A similar clarification is made for such services  
52 30 personally rendered by or under the direct supervision of a  
52 31 specific clinical laboratory.  
52 32 Code section 231C.2 is amended to conform the punctuation  
52 33 used in the definition of "personal care" in the Code chapter  
52 34 certifying assisted living programs, as that definition was  
52 35 amended in 2005 Iowa Acts, House File 585, to the same  
53 1 definition used in Code chapters 231B and 231D.  
53 2 Code section 307.12 is amended to conform to the amendment  
53 3 to Code section 307.10 made by 2005 Iowa Acts, House File 591,  
53 4 which provides that the state transportation commission no  
53 5 longer approves the budget of the state department of  
53 6 transportation.  
53 7 Code sections 321.43, 321.65, and 321.90 are amended to  
53 8 correctly refer to motor vehicle identification numbers rather  
53 9 than to motor vehicle serial numbers. A similar correction  
53 10 was made to Code section 321.89 in 2005 Iowa Acts, House File  
53 11 757.  
53 12 Code section 327B.1 is amended to correctly refer to  
53 13 evidence of interstate authority being kept in a motor vehicle  
53 14 rather than in a motor carrier. The motor carrier in this  
53 15 Code section is the transportation company and not a vehicle.  
53 16 Code section 325A.3 has a corresponding and correct reference  
53 17 to the motor vehicle.  
53 18 Code sections 602.1304 and 602.8108 are amended to strike  
53 19 references to the allocation of vehicle speeding violation  
53 20 fines to the department of public safety's vehicle  
53 21 depreciation account, as contained in 2005 Iowa Acts, House  
53 22 File 826. The governor item vetoed the allocation of these  
53 23 fines to the depreciation account. The references are now  
53 24 incorrect and need to be stricken.  
53 25 Code section 633.10 is amended to correct an internal  
53 26 reference to the uniform transfer on death security  
53 27 registration Act, currently in division XIX of the probate  
53 28 code, due to the transfer of that Act to new Code chapter 633D

PG LN

**LSB1588H**

**Explanation**

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53 29 as provided for in 2005 Iowa Acts, Senate File 379.

53 30 LSB 1588HA 81

53 31 mg:jp/cf/24

# Summary Data

## General Fund

LSB1588H	Actual	Estimated	Gov Rec	House Approp
	FY 2004	FY 2005	FY 2006	FY 2006
	(1)	(2)	(3)	(4)
Administration and Regulation	\$ 0	\$ 0	\$ 0	\$ 263,928
Economic Development	0	0	0	0
Health and Human Services	0	0	0	100,000
Justice System	0	0	0	2,016,000
Unassigned Standing	279,137,040	168,389,991	270,714,827	111,409,510
Grand Total	<u>\$ 279,137,040</u>	<u>\$ 168,389,991</u>	<u>\$ 270,714,827</u>	<u>\$ 113,789,438</u>

# Administration and Regulation

## General Fund

LSB1588H	Actual	Estimated	Gov Rec	House Approp	Page & Line
	FY 2004	FY 2005	FY 2006	FY 2006	Number
	(1)	(2)	(3)	(4)	(5)
<b><u>Commerce, Department of</u></b>					
Banking Division-Inc.	\$ 0	\$ 0	\$ 0	\$ 209,678	PG 5 LN 30
Professional Licensing-Inc.	0	0	0	54,250	PG 6 LN 5
<b>Total Admin. and Regulation</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 263,928</b>	

# Economic Development

## General Fund

LSB1588H	Actual	Estimated	Gov Rec	House Approp	Page & Line
	FY 2004	FY 2005	FY 2006	FY 2006	Number
	(1)	(2)	(3)	(4)	(5)
<b><u>Economic Development, Dept. of</u></b>					
General Admin.	\$ 0	\$ 0	\$ 0	\$ -115,000	PG 5 LN 14
World Food Prize	0	0	0	115,000	PG 5 LN 25
<b>Total Economic Development</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	

# Health and Human Services

## General Fund

LSB1588H	Actual	Estimated	Gov Rec	House Approp	Page & Line
	FY 2004	FY 2005	FY 2006	FY 2006	Number
	(1)	(2)	(3)	(4)	(5)
<b><u>Human Services, Department of</u></b>					
<b>Medical Services</b>					
PKU Assistance	\$ 0	\$ 0	\$ 0	\$ 100,000	PG 5 LN 5
<b>Total Medical Services</b>	0	0	0	100,000	
<b>Total Human Services, Department of</b>	\$ 0	\$ 0	\$ 0	\$ 100,000	

# Justice System

## General Fund

LSB1588H	Actual FY 2004 (1)	Estimated FY 2005 (2)	Gov Rec FY 2006 (3)	House Approp FY 2006 (4)	Page & Line Number (5)
<b><u>Justice, Department of</u></b>					
Legal Services Poverty Grant	\$ 0	\$ 0	\$ 0	\$ 750,000	PG 20 LN 7
<b><u>Judicial Branch</u></b>					
Judicial Branch-Inc.	\$ 0	\$ 0	\$ 0	\$ 320,000	PG 19 LN 25
<b><u>Public Safety, Department of</u></b>					
State Patrol - Vehicle Rev. Fund	\$ 0	\$ 0	\$ 0	\$ 596,000	PG 16 LN 26
DCI Crime Lab	0	0	0	350,000	PG 20 LN 14
<b>Total Public Safety, Department of</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 946,000</b>	
<b>Total Justice System</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 2,016,000</b>	



# Unassigned Standing

## General Fund

LSB1588H	Actual FY 2004 (1)	Estimated FY 2005 (2)	Gov Rec FY 2006 (3)	House Approp FY 2006 (4)	Page & Line Number (5)
<b><u>Administrative Services, Dept. of</u></b>					
Mun. Fire & Police Retirement	\$ 2,752,825	\$ 2,745,784	\$ 2,745,784	\$ 2,745,784	PG 2 LN 24
<b><u>Education, Department of</u></b>					
Instructional Support	\$ 14,465,267	\$ 14,428,271	\$ 14,798,189	\$ 14,428,271	PG 2 LN 5
Child Development	11,244,023	11,271,000	11,271,000	11,271,000	PG 2 LN 8
Transportation - Nonpublic	7,624,060	7,955,541	8,005,541	8,273,763	PG 2 LN 14
Educational Excellence	55,611,281	55,469,053	55,469,053	55,469,053	PG 2 LN 21
Area Ed. Assoc. Reduction	0	0	0	-11,798,703	PG 4 LN 16
Early Intervention Block Grant	29,325,000	29,250,000	29,250,000	29,250,000	PG 7 LN 28
<b>Total Education, Department of</b>	<b>\$ 118,269,631</b>	<b>\$ 118,373,865</b>	<b>\$ 118,793,783</b>	<b>\$ 106,893,384</b>	
<b><u>Management, Department of</u></b>					
Cash Reserve Fund Goal	\$ 0	\$ 45,500,000	\$ 0	\$ 0	PG 4 LN 28
<b><u>Revenue, Dept. of</u></b>					
Livestock Producers Credit	\$ 1,749,903	\$ 1,770,342	\$ 2,000,000	\$ 1,770,342	PG 2 LN 27
Homestead Tax Credit Aid	103,209,341	0	102,945,379	0	
Ag Land Tax Credit	34,553,196	0	20,000,000	0	
Military Service Tax Credit	2,517,998	0	2,494,000	0	
Elderly & Disabled Tax Credit	16,084,146	0	21,735,881	0	
<b>Total Revenue, Dept. of</b>	<b>\$ 158,114,584</b>	<b>\$ 1,770,342</b>	<b>\$ 149,175,260</b>	<b>\$ 1,770,342</b>	
<b><u>Treasurer of State</u></b>					
Endowment For Iowa Health	\$ 0	\$ 0	\$ 0	\$ 0	PG 6 LN 32
<b>Total Unassigned Standing</b>	<b>\$ 279,137,040</b>	<b>\$ 168,389,991</b>	<b>\$ 270,714,827</b>	<b>\$ 111,409,510</b>	

# Summary Data

## Non General Fund

LSB1588H	Actual	Estimated	Gov Rec	House Approp
	FY 2004	FY 2005	FY 2006	FY 2006
	(1)	(2)	(3)	(4)
Health and Human Services	\$ 0	\$ 0	\$ 0	\$ 2,947,109
Unassigned Standing	0	159,663,964	0	\$ 159,663,964
Grand Total	\$ 0	\$ 159,663,964	\$ 0	\$ 162,611,073

# Health and Human Services

## Non General Fund

LSB1588H	Actual	Estimated	Gov Rec	House Approp	Page & Line
	FY 2004	FY 2005	FY 2006	FY 2006	Number
	(1)	(2)	(3)	(4)	(5)
<b>Human Services, Department of</b>					
LTC-Alt. Services-SLTF	\$ 0	\$ 0	\$ 0	\$ 2,947,109	PG 6 LN 24
<b>Total Medical Services</b>	0	0	0	2,947,109	
<b>Total Human Services, Department of</b>	\$ 0	\$ 0	\$ 0	\$ 2,947,109	

# Unassigned Standing

## Non General Fund

LSB1588H					Page & Line Number
	Actual	Estimated	Gov Rec	House Approp	
	FY 2004	FY 2005	FY 2006	FY 2006	
	(1)	(2)	(3)	(4)	(5)
<b><u>Revenue, Dept. of</u></b>					
Homestead Tax Credit - CRF	\$ 0	\$ 102,945,379	\$ 0	\$ 102,945,379	PG 3 LN 15
Ag Land Tax Credit - CRF	0	34,610,183	0	34,610,183	PG 3 LN 18
Military Ser. Tax Credit-CRF	0	2,568,402	0	2,568,402	PG 3 LN 21
Elderly & Dis.Tax Credit-CRF	0	19,540,000	0	19,540,000	PG 3 LN 24
<b>Total Unassigned Standing</b>	<b>\$ 0</b>	<b>\$ 159,663,964</b>	<b>\$ 0</b>	<b>\$ 159,663,964</b>	

# Administration and Regulation

FTE

LSB1588H	Actual FY 2004 (1)	Estimated FY 2005 (2)	Gov Rec FY 2006 (3)	House Approp FY 2006 (4)	Page & Line Number (5)
<b>Commerce, Department of</b>					
Banking Division-Inc.	0.00	0.00	0.00	3.00	PG 5 LN 30
Professional Licensing-Inc.	0.00	0.00	0.00	0.75	PG 6 LN 5
<b>Total Administration and Regulation</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>3.75</b>	